THE PUBLIC RELATIONS JOURNAL

OF THE AMERICAN COUNCIL ON PUBLIC RELATIONS

\$5 A YEAR

50c A COPY

The Counsellor in Public Relations

Public Relations and the Ad Agency

By MARVIN MURPHY

VOLUME 2 O C T O B E R NUMBER 10 1 9 4 6

TABLE OF CONTENTS			
			Page
EDITORIAL: WE SHOULD SEEK $GREAT$ LEADERS $By Rex F. Harlow$	٠	•	1
THE COUNSELLOR IN PUBLIC RELATIONS By John W. Darr		٠	3
"ONE OF THE BUSIEST MEN"	٠	٠	7
PUBLIC RELATIONS AND THE ADVERTISING AGE By Marvin Murphy	NC'	Υ.	9
DIVIDED LOYALTIES AND PUBLIC RELATIONS By N. S B. Gras	٠	٠	13
INFLATION IN PUBLIC OPINON	•	٠	15
WHO, WHAT AND HOW			19
THE WEATHERVANE		•	21
THE RESEARCHER'S FLAMING TORCH KEEPS			
BURNING BRIGHT		٠	25
THE COLLEGES CONQUER ANOTHER CRISIS . $By Guy E. Snavely$		٠	31
THE NARBETH MOVEMENT			35
THE ANNUAL REPORT: AN EFFECTIVE PUBLIC			
RELATIONS DOCUMENT		٠	37

THE PUBLIC RELATIONS JOURNAL

EDITORIAL STAFF: REX F. HARLOW, Editor. VIRGIL L. RANKIN, Managing Editor, BEN S. TRYNIN, Research Editor.

OFFICERS AND TRUSTEES: President: Rex F. Harlow, Public Relations Consultant, San Francisco. Vice Presidents: Verne Burneit, Public Relations Counsel, New York City; E. A. Cunningham, Manager Public Relations Department, Shell Oil Company, San Francisco; Henry E. North, Vice President, Metropolitan Life Insurance Company, San Francisco; Conger Reynolds, Director of Public Relations, Standard Oil Company of Indiana, Chicago. Secretary-Treasurer, John E. Pickett, Editor, Pacific Rural Press, San Francisco; Harle Reguson. Assistant to the President and Director of Public Relations, Butler Brothers, Chicago; Don E. Gilman, Executive Vice President, Western Oil and Gas Association, Los Angeles; James W. Irwin, Public and Employee Relations Consultant, New York City; Holgar J. Johnson, President, Institute of Life Insurance, New York City; Raymond W. Miller, Public Relations Consultant, Mahington, D. C.; Frank J. Reagan, Vice President, Pacific Telephone and Telegraph Company, San Francisco; Ordway Tead, Director, and Editor of Economic Books, Harper and Brothers, New York City; Edgar A. Waite, Manager, Public Relations Department, Standard of California, San Francisco; Ray B. Wiser, President, California Farm Bureau Federation, Berkeley.

THE JOURNAL is published monthly by the American Council on Public Relations at 369 Pine Street, San Francisco 4. Council members receive it as part of the Council service, which includes books, monthly news bulletins, research studies, and miscellaneous brochures. Of the amount paid as dues by members of the Council, \$5 is for a year's subscription for *The Public Relations Journal*. Non-members of the Council—individuals, libraries, and institutions—may subscribe to the *Journal* at \$5 a year in the United States and Canada. Copyright 1946 by the American Council on Public Relations, Application for second class matter pending.

THE

Public Relations

JOURNAL

Volume 2

OCTOBER, 1946

Number 10

We Should Seek Great Leaders

In one of his many significant public utterances, the late Justice Oliver Wendell Holmes is credited with saying that the development of any profession is a slow and arduous process. At first men who engage in a certain line of activity busy themselves with making a livelihood. Theirs is the serious task of maintaining a precarious existence. As they progress, they acquire a zest for making money. They become immersed in activities, frequently for activity's own sake. They are filled with the joy of doing.

Then there follows a period when these persons of like interests and activities are drawn together into a field or calling. They talk *shop*. Concerned chiefly with the *how* and the *what* in their field, they avidly seek and exchange experiences. They become absorbed in learning the tricks of their trade. They talk of how to go about this; what to do about that; how much to charge for their services; how to achieve recognition and standing.

Such a period of development, said Holmes, is one of great danger. Lacking wisdom based upon an accurate and devoted study of the history, growth and development of their profession, the very busyness of these energetic practitioners carries malignant disease in its train. Every selfish and unsound act performed and thought started on its way but adds to danger for the profession.

Not until a sound philosophy is de-

veloped, creating an equally sound code of ethics to guide its practitioners, is the profession safe. Not until able minds, burning with an intellectual and a moral zeal to place the banners of their profession on the high pinnacle of honor, take hold and move the profession above the market place is there security. The profession must justify itself, must be great for its own sake. Then, and then only, is it sovereign among other recognized professions and free to go its unchallenged way with the respect and confidence of all who look upon it.

Justice Holmes was speaking primarily of the Law—the profession he loved, honored and cherished during a long and distinguished career. But he could as well have been speaking of public relations. For, whether those of us who work in this field agree, it becomes daily more apparent that public relations is a budding profession.

If Justice Holmes' analysis of the rise of a profession is accurate—and it is easy to believe that it is—public relations today is in the second stage of its development. Those of us in the field are mainly rushing about doing things. We are busy with the techniques and tools of our calling. Whether we get together in small groups or large gatherings we talk about the how and the what of bringing in money, building prestige and gaining increased recognition for ourselves and our

l

1

1

7

9

15 19

21

25

31

37

S. TRYNIN,

San Fran-E. A. Cunco; Henry DNGER REY-Secretary-FERGUSON, go; DON E. S W. IRWIN, ident, Institant, Wash-

at 369 Pine ich includes imount paid ons Journal. the Journal

il on Public

mpany, San

others, New lifornia, San profession. We cloak ourselves in busyness.

Little thought and speech do we give to the why of what we are doing. We are dubbed dull and theoretical if we inject a philosophical note into discussions. Why waste time with impracticalities when there is so much need for learning about tools and techniques? Let us make hay while the sun shines. The future will take care of itself. Etcetera, etcetera.

Here and there voices are raised, pointing the way to a higher level. Occasionally a stentorian tone is heard proclaiming the urgent need for practitioners to think their way to higher ground, not feel their way toward coveted riches and public esteem. But quickly these voices and stentorian tones are smothered by the jostling, striving mass of practitioners who are too busy to bother with anything other than the pressing demands of the moment.

If a Profession Is To Evolve

Nothing short of an optimist is required to see in the present scene genuine signs of an emerging third period for public relations. And yet this period must come if a true profession of public relations is to evolve. It must come if the function of public relations is to justify a place for itself in the basic life of our times. Otherwise, like technocracy and similar catch phrases and activities that have arisen only to pass from the scene, public relations too is likely to sink into ultimate oblivion.

Who among us will be the historian, the philosopher of public relations? That is a pressing question! Where is an Oliver Wendell Holmes of our new profession? Is he being bred unbeknownst to us in this hour? Will he come out of our universities or from the ranks of our practitioners?

There is much talk at the moment of drawing together the men and women in America who are engaged in public relations work. It is cogently argued that the forces of the new profession need to be united. In union lies strength. For the time being this doctrine is well received. A nationwide movement is under way to merge groups and draw together all the forces in public relations.

But what will it avail if such a move does not have the guidance of men and women with breadth and vision, deep understanding, and the power to impress their views upon the members of the profession and the public at large? The two things must go hand in hand if public relations is to move forward safely and soundly.

01

n

la

A

a

TE

C

h

h

m

ju

st

q

al

01

rı

de

pi

cl

hi

na

ai

pl

0

th

01

al

th

m

th

No Time for Little Thoughts

Any move that promises to draw together all forces in public relations deserves hearty support. But what is most needed is the development of our profession in ways that touch deeply the hearts and needs of our people. This is no time to deal in little thoughts or petty things. Those of us who are deeply interested in public relations because of what it has to offer mankind should be looking about for leaders with the vision and spirit to vitalize the potentialities of our profession. We should be seeking great leadership. Let us strive to find persons who see and speak with the understanding and power to guide our developing profession along safe and constructive lines while those lines are forming. Concrete can be molded easily when it is in liquid form; after it gets set it can be changed only by breaking. We cannot afford to have our profession take permanent shape without being poured by hands capable of shaping it into the right mold.

REX F. HARLOW

[&]quot;He who attends to his greater self becomes a great man, and he who attends to his smaller self becomes a small man."—MENCIUS.

The Counsellor in Public Relations

By JOHN W. DARR

President, Institute of Public Relations, Inc., New York City

 $I_{
m old}^{
m N}$ the legal profession there is an his own lawyer has a fool for a client."

Obviously, it would be undiplomatic—or worse—for me to suggest that the business executive who is his own public-relations counsellor is similarly dim-witted. As a matter of fact, successful business men, whether they direct their corporate affairs with the aid of professional public-relations pilots or set their corporate courses for themselves, aren't fools. To have gotten where they are, they can't have been. To succeed in business demands a high order of intelligence, good judgment. at least a modicum of understanding of humanity, plus an indefinable quality called "business sense."

Yet, between the lawyer who is his own attorney and the business man who is his own public-relations counsellor, there do run certain parallels, each to the client's detriment.

In the field of law, as in the field of public relations, the client stands too close to his case to see it as others see it.

At the bar of justice, the client who is his own advocate runs the risk, human nature being what it is, of beclouding his argument with his emotions and of crippling his credibility by making manifest his assumption—and it is an assumption of the kind that lawyers call "violent"—that in the issue at stake there can be but one side, his own.

Precedent or citation against him? If anywhere a court has ruled contrary to the structure of his contention, then that wearer-of-the-robe must have been a moron, a knave, and a miscarrier of justice.

And so, inevitably, in other men's eyes this client who is his own lawyer stands revealed as one who claims too much and concedes too little; and he becomes, in Browning's words, a "rater and debater" who can be "baulked by a mere spectator who simply stares and listens." And the truth, it seems, is not in him.

Just so, at the bar of public opinion, the business man who is his own public-relations counsellor can envision only in the purest of pure white light himself and the institution he symbolizes; and if it be suggested to him that he and his institution do seem to live under a shadow, his indignant answer is that any man who sees such a shadow, or pretends to see it, must be a red, or a pink, or at the very least a fellow traveler.

"My policies," he says, "are sound. Furthermore, they're just and honorable and equitable. How do I know they are? Because they have stood the test of time."

Meanwhile, of course, through the years while some of those policies have stood immutable, the world has moved on. Today's horseless carriage lacks even the vestige of a whip socket; and the electric telegraph, I am reliably informed, is here to stay.

Now, of course, the business man well knows that people, too, have changed. They read more than they used to. They listen to their radios. They travel. They talk—talk about politics and economics and about industry's responsibilities to society. They well know—or at least they sense the fact—that at least on some industrial fronts, management's attitude has changed from "The public be damned!" through "The public be pleased!" to "The public be pleased!" to "The public be pleased and and served!"

As a matter of course, it is broadly accepted today that, if it is to meet its social

t of n in elathe be

the ved.
y to

and o unoress pro-

c re-

and

w tos demost cofeslearts time nings.

ted in nas to about irit to rofeseaderho see g and

while can be form; nly by we our

ithout naping Low

LOW

nds to

obligations fully, a business enterprise must operate in the public interest.

And the business man asks: "Does this mean public ownership? Does anyone believe that the public *owns* this business? And if so, what becomes of the stockholders?"

Now, of course, in these pages I scarcely need spell out the principle that, to do the best-possible, long-pull job for the stockholders, management must so formulate an enterprise's policies and so direct its operations and contacts as to win and hold public acceptance and public esteem and public good-will. Nor need I labor the fact that, just as they can be made known—and favorably known—on any of the other fronts with which an enterprise comes into contact, these forward-looking, public-interest policies can be "sold" to the stockholders, themselves.

However, let us assume that the business man, having sized up the broad concept of operating in the public interest, concedes to himself that maybe there's something in it. Now he asks himself: "And where do we go from here? What more can my company do? What does society want or need that we're not already supplying? Or, to put the matter negatively, what are we doing that's wrong?"

Finds Himself Stymied

At that point, I submit, the business man who would undertake to serve as his own public-relations consellor and to answer those questions himself would find himself stymied. On the positive side, on the side of thinking out and executing programs and activities that, along lines of public service, will transcend what is "nominated in the bond," he lacks perspective. Perhaps, because he never has projected his thinking along these lines, he lacks imagination. Certainly he lacks the experience that, flowing from the observation of public-interest policies for other enterprises in his industry and for enterprises in other industries, would tell him which policies would turn out to be visionary or impractical, which might prove to be boomerangs, and which, in the detached analysis of public scrutiny, would be accepted by the public as beneficial and wholesome and commendable.

On the negative side, on the side of what he is doing that is socially wrong or otherwise reprehensible—on that side, he is stymied, too. Not even his closest associates—including, perhaps, his own vice president in charge of public relations, whom, as he says, he has "raised from a pup"—not even his closest associates enjoy conveying bad news. Nearly everyone prefers to "yes" the boss, or, at least, to protect him against annoyance.

And, eventually, when the disturbing facts come to light accidentally, he asks, "Why doesn't somebody *tell* me these things?"

The Counsellor's Job

His public-relations counsellor, if he had one, would tell him. On the positive side, his counsellor would chart for him the channel of good corporate conduct and, on the negative side, point out the reefs and shoals and sandbars of trouble.

So much for the policy-making stage. I need not dwell for long on the point that, however high they may lift the spirits of those who design and execute them, even the holiest of corporate policies can exert but little effect, public-relationswise, unless they are made publicly known.

n

p

p

d

a

a

C

C

le

0

Earlier in this article, we considered the plight of the lawyer who served as his own attorney. Let us bear in mind that, in that situation, the client was a lawyer. In court procedure, at least, he knew his way around. He knew the characteristics and the uses of a complaint, a demurrer, a counterclaim, an intervener and an interpleader. He knew how to "plead surprise" and how to "take an exception." He knew that he could not impeach one of his own witnesses, but that, on the other hand, if the other side took over

one of his witnesses as its own, then he could impeach. He knew the difference between res adjudicata and res ipse loquitur. He knew that laches is not a simplified way of spelling certain articles of household hardware. These matters he knew, and more.

But now consider the business man, projected on his own into that phase of public relations that is concerned with telling the world—with making known to the various publics touched or affected by his enterprise the story of that enterprise's good intentions and good works.

In this field, as in law, custom and experiment have established certain principles and precedents and developed certain techniques. In law, in a given set of circumstances, you aim at a certain objective. To attain that objective, you draft certain instruments - these in line with precendent—and address yourself to a certain tribunal or to certain tribunals clothed with jurisdiction. Just so, in what might be called the "outward" side of public relations, to attain a certain objective you prepare certain writingsreleases, statements, editorial memoranda, brouchures, letters, bulletins, or what not-and, through the established channels for the dissemination of information, you address yourself to a certain public or to certain publics. In addition, perhaps, you prepare and arrange for the delivery of speeches, and publicize them. Somewhere along the line, perhaps, you stage a press conference-all in accordance with a pre-arranged program-to announce the establishment of a new council or federation or association, or to announce a change of policy.

In a Strange Land

Through this terra incognita, how is the stranger to find his way? Here we encounter an interesting quirk in human nature. Scarcely ever will a man unlearned in law undertake to draft with his own hand an important contract or, on his own two feet, address a jury. Yet of-

ten a layman—and I use the word in no uncomplimentary sense—firmly believes that he knows enough about mankind and about mankind's reactions to be able to maintain in his business and in its relations with the world what he calls "the personal touch."

His knowledge of men we needn't question. No doubt he knows many men, most of whom are his friends. But what he often fails to grasp is the fact that, beyond the circle of men he knows, there are a great many other persons, many of them persons of importance, who don't know him at all. And their impressions of his business are formed, not in personal contacts, but by what they read and what they hear.

Who, What and How

How are these to be reached? How are they to be won, not only as customers, but also as friends of the business? Through what channels can they be aproached? What is he to say to them? Of the "tools" at hand, which shall he use? Who—and this is important—who are the key persons, the editors, the columnists, the radio commentators, the club leaders, the farm leaders, the leaders of youth, the leaders of associations and societies, who can open to him the channels and the media through which his message or his messages can go out?

Call this phase of public relations what you will, it is, I submit, a specialty in which a layman is lost; and to find his way safely through he needs a pilot who, as at the policy-making stage, knows the course.

Such a pilot knows that, in public-relations endeavor, publicity is neither the be-all nor the end-all and that there are times when, as the physician would put it, publicity is contra-indicated.

On this score, I often wonder whether we counsellors serve our clients better when we advise them to do something that they hadn't thought of, or when we

night ch, in atiny, benedable. de of ong or de, he asson vice ations, rom a

to be

urbing e asks, these

, if he

es en-

every-

least,

ositive or him onduct out the rouble. g stage. e point ift the execute te poliblic-reoublicly

sidered d as his nd that, lawyer. new his teristics nurrer, a an interead sureption." each one on the advise them *not* to do something that they'd like to do.

In New York, one of my business neighbors operates a highly-regarded agency for the placement of executive personnel. Not as a client, but as a personal friend, he calls me occasionally for advice. Not long ago he phoned me in some excitement to say:

"Look, John, I think I ought to do something about that killing case over on Long Island—you know, the one in which an employment agency sent a butler without references to a big estate, and now they've arrested the butler for shooting the lady of the house. I think I ought to put out a statement."

I asked, "Have they pinched you, too?"

"Of course not" he said. "But I'm afraid that all this notoriety will hurt my business."

I asked. "Do you place butlers?"

"You know damned well I don't!" he said. "I place nothing but top-notch business executives. I've done that for years."

"And," I asked him, "have people ever confused your agency with a domestic agency? Have they come to you for butlers or cooks or chauffeurs? Have domestic servants ever registered with you for jobs?"

"Not once!" he said, firmly, "Never!"
"All right, then," I said, "relax. Don't
put out any statement. And later on, I'm

sure, you'll be glad that you didn't mix yourself in a messy murder that was none of your business in the first place."

For that piece of advice my precedent went back a long way. It was Ovid who said: "Slight is the merit of keeping silent on a matter; on the other hand, serious is the guilt of talking on things whereon we should be silent."

No public-relations counsellor that I know of claims to be infallible. But I am reminded of a man named Ab Rogers out in my native state of Missouri who owned a mule that took sick.

For a time, Ab tried to treat the mule, himself. The mule grew worse. Ab called in a veterinarian who, having arrived at what he considered to be a diagnosis of the trouble, took over. Still the mule grew worse. After some days of his treatment, the veterinarian said to Ab:

b

tl

J

n

k

SE

ir

bi

pri gran pri tri in an

br

re

an

Jo sei

"I've a confession to make. My first diagnosis was wrong and I've been giving that mule the wrong medicine. Starting right now, we'll change."

They changed the medicine; and the mule recovered.

Later, a neighbor, encountering Ab on the road, said to him:

"Ab, that mule of yours sure was sick a long time."

"Yes," said Ab, "he was. But I hate to think how long he'd 'a' been sick if I'd 'a' made all the mistakes myself."

COUNSELING

"Always advise a friend to do that which you are sure he is not going to do. Then, if the venture fails, you will receive credit for having warned him. If it succeeds, he will be happy in the opportunity to tell you that you were dead wrong."—George Ade.

"One of the Busiest Men ..

By EUGENE S. THOMAS

President, Advertising Club of New York; Sales Manager, Bamberger Broadcasting Service

PERHAPS IT STEMS from his days of teaching school. It may have come to him further back as an inheritance from some earnest ancestor who, with the Holv Writ in his saddle bags, rode a circuit of churches. Possibly he acquired it when, as a book agent, he trudged from farm to farm over considerable areas of Iowa and Missouri and sold copies of a profusely illustrated work entitled "Bible Symbols." I gravely doubt that, through some kind of osmosis, he picked it up while harnessbreaking mules. Although the task of civilizing a mean and wall-eyed mule has been known to cause a man to talk to himself, it scarcely seems calculated to inspire him to meditate upon the higher things of life.

But, whatever its source, there is in John Willis Darr—I learned his middle name from the pages of Who's Who in America—a great deal of the evangelist, a great deal of the crusader.

One of the busiest men I have ever known, he still finds time to concern himself with his vocation's development as an instrument for public service. In the broader sense, as he views the matter, public relations' major function is to safeguard individual liberty in this republic and to make workable and to "sell" the principle of free, democratic enterprise.

"If this nation is to become the country we want it to be," he has said, "then in these days of dissension and cynicism and doubt, public relations must help bring about a renewed appreciation of such virtues as honor among men and a rebirth of faith in American institutions and ideals."

Only in the light of that philosophy, John Darr believes, can public relations serve its clients most effectively and, meanwhile, justify its own existence. Furthermore, only in the light of that philosophy can there emerge an adequate, general understanding of what public relations actually encompasses.

"Public relations," he has said in public utterances, "is more than mere ballyhoo. It's more than mere propaganda, with nothing behind it but half-truth or downright falsehood. Regardless of what lies behind it, propaganda, of course, can be effective. Goebbels proved that, But Goebbels perished and Germany fell because the story behind his propaganda was bad. Public relations is something more than mere press-agentry."

Thus is John Darr the leader, the crusader, the articulate exponent of democracy at work.

In his own right, he is a successful business man. As its president, he directs the operations of one of the largest firms in his field, the Institute of Public Relations, Inc., At the Institute he originated a practice of collective counsel by which every client's every problem becomes the concern of everyone on the Institute's staff who can contribute to the problem's solution.

Over the years, as public relations counsel he has served individual enterprises, groups of enterprises, and whole industries in fields of business ranging from the manufacture of automobiles through brewing and distilling to the manufacture of women's wear. Similarly, he has served associations of churches, civic organizations, colleges, commodity exchanges, organizations engaged in public relief, professional societies, and scientific groups.

His clients know that his advice is sound and that his vision is keen and long-ranged.

For the record, John Darr was born

ì

7

't mix s none

d who silent ious is eon we

that I at I am ers out owned

e mule, o called rived at nosis of alle grew atment,

My first n giving Starting and the

g Ab on was sick

I hate to ck if I'd "

do. Then, eds, he will ORGE ADE. near Carrolton, Missouri. He did teach school—rural school. To pay his own way through school, he did peddle books and he did break recalcitrant mules. He was graduated from what then was called Highland Park College, in Des Moines. A volunteer in World War I, he commanded a sub-chaser and served as navigating officer aboard a transport.

He knows newspaper work because he worked at it—from the press room through the composing room to the editorial department. He knows advertising because he worked at that, too—from

copy writing through account-directing to an agency partnership.

In 1930, to acquire broader scope in which to serve business, he established his own office, in New York, as public relations counsel. He is a former vice president and director of public relations of Commercial Investment Trust, Inc.

In 1935, as a logical outgrowth of the counselling service that he had operated under his own name, he established the Institute of Public Relations, Inc., the offices of which are in the Graybar Building, in New York.

IN NAME ONLY

Some years ago an elderly head of a large corporation decided to set up a public relations department. He employed a young man to head it.

A handsome office and a secretary were given the young man. He was told that one day soon he and the president would have a good talk and work out the details of his job.

But weeks passed and the young man was not called to the president's office for the promised conference. The weeks lengthened into months and the months into a year. And still no conference was scheduled.

Finally the young man, who had been frantically trying to busy himself by writing to all the friends he knew, giving his secretary odd jobs to do and doing other harmless things insisted on having a talk with his superior.

The president said to him soothingly, "Don't bother yourself about this thing. You are getting along fine. You are drawing your money all right, aren't you?"

The young man nodded in the affirmative but said, "Drawing my money isn't the only thing I'm interested in. I want to earn what I get. I want to do something worth while."

The president smiled tolerantly: "Oh, we'll get around to your matter one of

these days. Just go back and keep on the way you have been doing. We like you and think you are getting along fine."

Sorely disappointed and disturbed. the young man returned to his desk. Another year passed and still nothing was given him to do. Then a third year passed with the situation unchanged. In desperation, the young man turned to a friend of his who had close contact with the president. "For God's sake, won't you please see if you can get anything out of the old man? I am about to go crazy; please help me," he implored. His friend made the attempt but failed. The old gentleman was adamant. He wanted a "Public Relations Department" only because it was the thing to do-the public expected it. But he didn't want it to "interfere" with his operation of the business.

Although almost beside himself, the young man stuck to his job another year. He received an advance in salary from \$8,000 to \$9,000 a year. But he just couldn't take it longer. He resigned and took a position at \$5,000 a year in a company where he had to work almost night and day. "Never again," he said to himself, "will I work for a company that isn't honest with the public and its employees. Life is too short to live like that."

li

fi

PUBLIC RELATIONS . .

and the Advertising Agency

By MARVIN MURPHY

Vice President in charge of the Public Relations Dept., of N. W. Ayer & Sons, Inc., New York

In the last few years there has been a marked increase in the number of advertising agencies that offer their advertising clients, and sometimes others, the services of public relations departments. Numerically at least they have gone in for public relations departments in a big way. Some of them have done so because they see in this so-called new field of public relations an opportunity for better service to their customers, some because of the lure of increased profits, and some just to keep up with competition. Today the agency that does not offer some sort of public relations service is the exception rather than the rule, which is just the reverse of what the situation was as recent as the late thirties.

This increased recognition of public relations by a business that for years looked upon public relations as another name for press agentry, and that has considered press agentry a competitor, is interesting as tangible evidence of a trend. But it can be significant only to the extent that agency public relations departments, by performance, live up to the titles they have assumed.

Many directors of public relations departments of advertising agencies freely admit that, after all, what they offer is a publicity service which they realize is but one phase of public relations, albeit an important phase. They and their staffs know the techniques of publicity production and placement and timing. They are

tion and placement and timing. They are fully competent to plan and execute publicity campaigns and to justify their fees. They are experts in their field. But their field does not extend beyond publicity.

This probably is no more nor less true

of advertising agencies than it is of other public relations departments or public relations firms. There are some rather big companies in which the director of public relations, or the manager of public relations, or whatever his title is, directs himself almost exclusively to the preparation of press releases or to otherwise working with the press. And your guess is as good as mine as to the number of publicity firms and individuals who have "public relations" on their doors and letterheads.

It is not the purpose here to compare advertising agency public relations services with those of public relations firms or individuals or company departments. Each has its place and, like everything else, each enjoys some advantages and suffers some disadvantages. But when it comes to an overall public relations operation, the advertising agency or, to use a more accurate term—the advertising counsel—can render an unsurpassed service, and some of them are doing it.

I say the advertising agencies can render an unsurpassed public relations service because: first, they have been at it longer than anyone else, for, whether they realize it or not, advertising men have been dealing with public relations problems since the inception of advertising; and, second, agencies have a range of specialized talents and experience seldom matched in other organizations.

To say that an agency is not performing a public relations service for its clients because it does not have a public relations department is superficial. Such an agency may not be rendering a complete service; it may never concern itself with the client's employees or stockhold

ecting

pe in ed his relapresions of

of the erated ed the c., the Build-

on the ke you ne." turbed, sk. Anng was passed desper-

ith the n't you gout of crazy; s friend The old anted a only be-

friend

t to "inousiness. self, the ner year. ry from he just med and

n a comost night to himiny that the its em-

ke that."

ers, for instance; but, if it is doing any kind of an advertising job at all, it is engaging in public relations. And its public relations activities are not confined to publication copy, radio scripts and direct mail either.

Company's Best Representative

The best public relations representative a company can have is a good product that is a sound value at the price for which it is sold. H. A. Batten, president of N. W. Ayer & Son, Inc., in making this fundamental observation some years ago, went on to point out that such a product goes everywhere and meets every one and argues in your behalf twenty-four hours a day. By its quality and its usefulness and its low cost, it suggests to the user and to all with whom it comes in contact that the maker is an intelligent man, an honest and non-avaricious man, a benefactor of the human race.

The advertising agency, or counsel, begins with the product, which may be an automobile, a packaged food, a cake of soap, or a service such as the telephone, an air line, electric power or banking facilities. Sometimes it makes important suggestions about improvement of the product itself. It helps to choose the name, to design the label or package, to make surveys, plan the merchandising and do many other things before any advertising is undertaken. It helps to formulate policy in many ways. And, as soon as it does, it has a hand in public relations in the broad sense even though the specific activity may be art, or package display, or training of salesmen, or something else. There is no getting away from the fact that a company's actions and the policies that govern them are a powerful factor in the public relations it creates for itself be they good or bad. In fact, what the company does, the way in which it is done, and the timing of it, are just as important as what it says, and often a great deal more so.

A refining company, for example,

might advertise and otherwise promote its products extensively. But if the toilets in its company-owned service stations are dirty, it simply isn't going to sell as much gas and oil as it could if it had more regard for the welfare of its customers. A dairy can consistently proclaim the merits of its products but the milkman who gives poor service, or even perhaps insults his customers, because he does not understand the simple fundamentals of good public relations, robs that advertising of part of its effectiveness.

Advertising men have known these things for years and have been helping their clients to practice better public relations long before the term public relations was ever heard of. In fact some of the best public relations practitioners I know are advertising men who couldn't write an acceptable publicity story if their accounts depended upon it and who would sincerely insist that they do not know anything about public relations. Just today I lunched with an advertising man who was trying to interest the president of one of his client companies in the importance of training the company's salesmen who are in daily contact with many thousands of housewives. He wanted the salesmen to be given a course in the fundamentals of human relationships, and he pointed out how this would help increase the effectiveness of the company's advertising and promote sales. He didn't mention the words "public relations" but I submit that that is what he was talking about. This is not at all unusual. Advertising men are talking with and advising their clients on public relations matters every day-that is public relations matters entirely apart from advertising.

A Plan Based on Study

An intelligent approach to an advertising campaign begins with a plan based upon a study of the business. That plan should set forth the objectives and the means of attaining them. It may call for additional research along specified lines.

It may suggest changes in policies in the public interest and improvement in procedure of implementing those policies. It defines what is to be said, to whom it is to be said, and the media through which it is to be said.

All this is, of course, public relations planning. Much of it is what the public relations practitioner outside the advertising agency would do. And yet it may not be a comprehensive public relations plan. Unless the agency is equipped to render a comprehensive public relations service in an organized way, the planning is apt to be geared to advertising and merchandising, and to omit or minimize other activities important to a well-rounded public relations program.

The Primary Medium

Allowing for the fact that there are occasional exceptions to all rules, any competent public relations man or woman probably will agree that any organization that has need for the services of an advertising counsel should use advertising as its primary medium of mass communication with the public. For only through the purchase of space or time can it say exactly what it wants to say, in the way it wants to say it, and when and where it wants to say it. And, within limits, it can measure the results.

Nor is advertising limited to extolling some product, place or service. In recent years we have seen it used extensively to urge people not to buy the advertiser's products or not to use his services. We have seen it employed to explain shortages, to present the viewpoints of management and union in labor disputes, to explain profits or the lack of them, to advance the causes of innumerable leagues, associations and other organizations, to urge housewives to save fat and waste paper and to do many other things. Advertising is more and more being recognized as a tool of management by which management can convey all sorts of ideas to mass audiences. And consequently the

utilization of space bought in newspapers, magazines and trade papers, on billboards and on car cards, and the time purchased on the radio is more and more being planned in co-ordination with the use of pamphlets, books, house magazines, lectures, motion pictures, stockholder and employee reports, and the other media of public relations expression.

If the advertising counsel's organization includes an organized public relations unit, it will consider all these things in its planning and it will contemplate their usage in its fundamental thinking. It will do its planning on a broader base. It will, for example, recognize that public relations begin at home-among the employees and stockholders, who should have a greater interest in the company than any other groups-that what these people know and say about the company in turn helps to influence their friends and associates and thus to supplement what the company is saying in its advertising. And, recognizing this, it will recommend public relations techniques to give reality to the broader planning.

Must Be Coordinated

Since what a company does is so closely related to its advertising, and since what it says in its advertising is so closely linked with what it says in other ways, it is fundamental that the two should be closely co-ordinated. It is the realization of this that has given rise to the establishment of public relations departments in those advertising agencies that take their public relations departments seriously and completely integrate them with their copy, radio, plans, merchandising and other creative departments in the service to the client.

It does not follow by any means, of course, that the agency should execute the public relations programs of all its clients or even plan them in detail. Many companies have competent public relations departments of their own that are better equipped to handle their programs than

he best ow are rite an eir acwould know lust tong man esident the im-'s salesh many ated the he fun-, and he increase s adver-

't men-

" but I

talking

. Adver-

advising

matters ons mat-

advertis-

in based

hat plan

and the

y call for

ied lines.

ng.

y

omote

toilets

ns are

much

re re-

ers. A

e mer-

n who

ps in-

es not

tals of

vertis-

these

elping

ic rela-

lations

are any outsiders. Many others practice good public relations without having formal public relations organization. Some simply pay lip service to public relations and some do not even pretend to do that.

But when a company or trade association can use an outside public relations service to advantage—either to assume full responsibility for organization and conduct of the program in cooperation with management or to work with its own public relations department—the properly equipped advertising agency has many advantages to offer.

In the first place the agency, like the public relations firm or consultant, has an outside viewpoint. Not only can it offer a fresh approach to public relations problems but, by virtue of the fact that it is not on the payroll, it can accomplish some things with management more readily than can those inside the organization.

The agency with a sizeable public relations department can provide a variety of specialized skills and experiences. In its department are men and women. Some of them specialize in fashion, some in foods, some in aviation, some in finance, and others in other fields. Some are experienced in stockholder matters, some in employee relations, some know their way around Washington. Others make a specialty of contacting editors, writers, radio, motion pictures and other chan-

nels of publicity expression.

Nor are the agency's specialized skills limited to the members of its public relations department. Throughout the organization are specialists—not only in art, but in the various fields of art; not only in radio, but in the several phases of radio; not only in merchandising, but in merchandising in many industries—specialists any one of whom can make important contributions to a public relations program.

And in addition to the specialized skills of its personnel, the agency draws upon a wealth of experience in working with all sorts of businesses. Techniques developed in working with one client can be used or adapted for another. Know-how applied in working with one industry can be applied in another. Contacts made in behalf of one account often open up opportunities for another.

Even though an agency offers no formal public relations service to its clients it constantly engages in activities that would be a part of the program of the professional public relations man or firm. But the agency that is organized to coordinate its wide range of talents and draw upon its wealth of experience—the agency that regards its public relations department as seriously as it does the other departments of its business—has a service to offer its clients that cannot be surpassed.

Marvin Murphy spent his early business days as a reporter on the Frankfort (Ky.) State Journal. After a tour in the Army, World War I, he joined the Washington Bureau of the Louisville Times. Later he headed the reportorial staff of the Charleston Daily Mail, then returned to Washington to cover the White House, Supreme Court and both Houses of Congress for the Baltimore Sun.

He joined N. W. Ayer & Son in 1929 as a staff member of the Public Relations Department where he planned and executed publicity and public relations programs for many companies. In 1939 he was made Manager of the department and in 1941 was elected Vice President of the firm, the posi-

tion he now holds.

DIVIDED LOYALTIES AND PUBLIC RELATIONS

By N. S. B. GRAS

Professor of Business History, Harvard School of Business

Divided Loyalties are an important aspect of our emotional lives, for they cut deeply into our day-to-day existence and determine our family and institutional relationships. Under modern conditions the loyalties that we feel are probably more numerous than ever and more in conflict than in the past.

America is itself a land of divided loyalties. South Slavs, Greeks, and recently arrived Germans look to their homeland as well as to America. The Old Yankee stock in New England is divided between New England and the United States. The Old South is still emotionally enamored of its own Southland and is dubious about the Union.

A worker is torn between loyalty to the company for which he works, to the union to which he pays dues and from which he receives a measure of security, and to the nation that gives him protection and opportunities for success or failure. His sense of loyalty shifts with circumstances.

If he is a communist, he may even have a warm feeling for Moscow, which combines a principle, a hope, and a subsidy.

Colors have been used to depict loyalties. White, red, pink, and yellow have in recent years been prominent. White is loyal to one faction, red to the opposing faction. Pink is a trimmer, the yellow is disloyal to his group. Into these divided loyalties go deep feelings, the things men die for. They reflect the loyalties of the pack and the disloyalties of the jungle. They are the basic stuff of literature and other forms of art. They lead to war and devastation, death and destruction.

There is a new hope on the horizon. This is the loyalty of the professional man to truth and candor. For centuries, the oath of Hippocrates has been a great factor in civilization. A broader force is the ethics of science. The scientist will remain a man and as such he will be white, red. pink or yellow; but as a scientist he will be loyal to no faction and will not be disloyal to truth.

Until the first World War scientists. such as chemists, physicists, and psychologists, kept their work for a business concern a secret. The needs of the war, however, forced them to get together. The common effort suggested a common sharing of ways and means of doing things. knowledge of principles, and funds of information. In their annual gatherings, henceforth, such scientists have discussed their problems and their employers' problems. Never since the first World War has there been a "hush-hush." In other words, there has been created a new lovalty-to the common effort on which science and the fate of their nation perhaps even of civilization itself may depend. True, these scientists respect the peculiar rights, such as to patents, of the concerns which they serve, but they also put in high esteem

N. S. B. GRAS was born in Toronto, Ontario, Canada. He attended Western University, London, Ontario, where he received his B.A. in 1906; M.A., 1906; Ph.D., 1912; and honorary Ll.D. 1924. He was assistant professor of history, Clark College, from 1912 to 1917 and associate 1917-18. From 1918 to 1927 he was professor of economic history at the University of Minnesota; in 1927 he became professor of business history at Harvard University.

He is author of "An Introduction to Economic History," 1922; "Industrial Evolution," 1930; "Business and Capitalism," 1939; "Case Book in American Business History," 1939; and others. He is editor of "Harvard Studies in Business History."

skills relarganart, only

only
es of
out in
-spee imations

skills pon a ith all cloped sed or pplied be apbehalf ortuni-

no forclients s that of the or firm. to cots and e—the lations ses the —has a nnot be the training and knowledge of their class. Such loyalty is developing among the professions with varying degrees of speed and intensity. We find it among accountants, physicians, public relations managers and consultants, and business historians.

Factors in P. R. Growth

Business historians as a group are factors in the growth of public relations, for it is only on the facts of business history that the public relations of business can be safely founded. I have watched with anxious eve the struggle of students at work in the field of business history. I refer particularly to advanced students engaged in research. I have observed various loyalties, such as to the social economists who have taught them, to the Middle West which gave them their suspicions of big business, to the petty capitalist class to which they belong psychologically, and to their profession, which they have placed on a level higher than the profession of business. If the student was writing the history of a company to which he had gained no access, he was likely to be critical and even unfair. If he was writing the history of a company which admitted him to its inner records and gave him full information in interviews. however, he was likely to very sympathetic. If he was paid a salary directly by the company, he was generally not free to state what he found in his studies. Indeed. under such circumstances his findings might not even be published.

If the student was writing the history of a concern which had given a sum of money to a research institution which in turn employed him, however, the situation would be different. The concern was subsidizing the research institution for the sole purpose of getting the truth dug out for its own benefit and for the use of society. The supreme service that it could obtain lay in honesty, truth, and candor. These things the business concern was willing to pay money for. Of course, the

student employed by a research institution, who received favorable treatment from a business concern—luncheons, an office, an assistant, and so on—when he was at work in the field, might become emotionally disposed to favor the business concern. And yet, at times, his social economic training, his Western radicalism, his native individualism and particularism, or his tendency to irresponsible criticism of all he found successful in life, might lead him to unfairness at places or to frequent illogical deductions.

tl

A

h

0

ta

tr

of

of

ar

te

po

th

in

th.

ex

ou

tal

for

cei

giv

pol

sta

go the

the

tire

up

pec

the

the

in a

(c)

is o

onl

don

The situation might become hopeless. were it not for the professional loyalty that can always be appealed to as a corrective. An adviser to such a researchauthor cannot say, indeed he should not hold the position, that the author is unfair to the business concern, the public. or whatnot. He can say effectively, however, that the author is not scholarly-is not following that super-lovalty which stands above partisanship. This means that the researcher is not maintaining the high standards of his group-that he is not assembling all the facts or is not drawing the plain inferences from these facts. Many a chapter have I seen re-written, made over so that the second version bore little resemblance to the first.

Hope of a Tangled World

If the scholar or the scientist remains true to his better or professional self, he cannot be false to any man. The little groups of persons trained to do specialized jobs in an approved way appear to be the hope of an otherwise tangled world. There is grave reason to doubt whether in the end truth will necessarily prevail in human relations, but there is no reason to question that it is our only hope of salvation.

I suppose that the situation among public relations engineers today is pretty much the same as among business historians. As individuals they are born with, or soon acquire, divided loyalties;

(Please turn to page 34)

Inflation IN PUBLIC OPINION

By ARCHIBALD M. CROSSLEY

President, Crossley, Incorporated, New York City

WHENEVER public opinion poll technicians meet together, there is bound to be considerable discussion of this or that system of cross-sectioning the American people. But you will usually hear very little comment on the question of the reliability of the information obtained in interviews.

I wonder sometimes whether we cannot see the forest for the trees. If you are trying to forecast a close election it is obvious that you must spend a great deal of time on the design of the sample you are to use-i.e. how to distribute your interviews by localities and types of people so that your sample truly reflects total population and total votes. Because of the electoral system of voting the results in a number of states often are so close that no polling system can reasonably be expected to be certain of predicting the outcome for such states. Usually, poll takers do not anticipate any better performance than to come within three percentage points of the final results in a given state.

It is a remarkable tribute to modern polling practices that many polls are actually much closer than this, state by state. But when a poll predicts a state to go to one party by a few tenths of a point. the poll taker knows that whether he calls the winner correctly or not is almost entirely a matter of luck. This luck is made up of a number of factors (a) how many people will take the trouble to express their preferences at the ballot boxes (b) the normal statistical variations involved in a sample that is not prohibitive in cost (c) how reliable the information is that is obtained in the interview.

About the statistical variations we can only do a little more than what we have done. Perhaps some day it may be possible to make sampling methods so accurate that, as far as interview distribution is concerned, we would not expect a deviation of more than 1.5 percentage points, or maybe even 1.0 percentage point. It is quite unlikely that we shall get closer than that.

The real opportunity for improvement in polling, in my opinion, comes in the removal of inflation from the data obtained in interviews. On this subject too little work has been done, not only in election polling, but in public opinion and marketing analysis in general. Outside of election polling there is much less need for accuracy of better than three percentage points deviation. Once in a while a manufacturer will want to set up sales expectancies by the sampling method and order his supplies and plan his production largely upon the basis of a measurement of public attitudes. In such cases there is a practical need for a high degree of accuracy. But if it is desired to know how the country feels on this or that subject. it is usually enough to know that the feeling is fairly evenly divided, apathetic or strong. Therefore, we can permit deviations of three percentage points, or somewhat more, without seriously upsetting the results, provided those results are properly interpreted and understood. There is an unfortunate tendency for those who see percentages in the 47-53 range to regard the results as definitive rather than in the tie range, without consideration of sample limitations.

There are several types of inflation in the information that people give you when you talk with them.

The Inflation of Intentions

First there is the inflation caused by the honest intention to take a certain ac-

15

d remains self, he

stitu-

ment is, an

en he

come busi-

social

dical-

par-

espon-

cessful

ess at

ctions.

peless.

oyalty

a cor-

search-

ald not

is un-

public,

, how-

rly-is

which

means

ing the

it he is

t draw-

e facts.

written,

on bore

he little specialopear to ed world. nether in revail in eason to

n among is pretty ness hisare born

loyalties;

of salva-

tion which when the times comes will not be taken.

This is one of our very greatest problems in election polling. We are never so much concerned about the truth of what people say as to their preference for one candidate over another. We think that that preference is apt to be stated pretty rightly, though there are those who will argue that people like to be on the winning side. It is probably true that a taxi driver will curry favor with a well-dressed fare by giving as his party choice the candidate most likely to appeal to the customer. It was claimed in some elections that union men, for example, would tell interviewers they would vote one way and in the privacy of the election booth actually vote another. We are very much inclined to doubt that anything of the sort happened very often. Actual analysis of the data obtained in their various breakdowns seemed too reasonable to think that much of that sort of thing was going on.

The Real Question

So, if someone told us that he was going to vote for Roosevelt, for example, we believe that he definitely preferred Roosevelt. The real question was whether the preference was so strong that he would express it at a voting place on election day. Evidence accumulated over preceding polls indicated clearly that much fewer would actually vote than would be indicated by the results of the interviews. In Pennsylvania, for example, about onethird of those that could vote just never seemed to take the trouble to do it. And yet one experiment after another showed much higher percentages of people claiming definitely that they would vote. Of course, this inflation would make no difference if it were divided proportionally among the two parties. But if there were considerably more inflation among those who preferred one candidate than among those who preferred the other, then the poll results would be out of line and underestimate one of the parties.

Early in 1944 we were firmly convinced that one of the greatest pitfalls in all polling was apt to be this question of which side gave the poll takers the greater inflation of intentions to vote. Therefore we spent a great deal of effort on numerous tests, carrying up almost to election day. One test after another gave us percentages for expectant voters, higher than past experience would indicate the voting ratio would be. This either meant that there would be more interest in the 1944 election than previously, or else that the means of eliminating inflation had not been found. We chose to believe the latter, and therefore continued our experiments. Late in October we discovered a series of devices which checked each other and for the first time began to indicate the percentage of voters in line with what had happened previously.

il

le

re

tin

in

th

m

D

ter

TI

en

int

av

ter

say

the

rat

bia

The next step was to compare these experiments with the regular polls separately for each party. When we did this. we discovered greater inflation on the Dewey side than on the Roosevelt side. In other words it was quite likely that true cross-section polls somewhat overestimated the Dewey strength, because proportionally more of those who expressed a preference for Dewey did not take the trouble to vote. This discovery called for an important decision. We had no means of checking the experiment other than in the election to come, and furthermore, we did not have samples large enough or widely enough spread to provide adjustments by states.

On Making Adjustments

The best decisions therefore seemed to be to withhold any adjustments of the national poll but to mention in our stories that experiments indicated greater interest in voting on the part of the Roosevelt adherence.

It so happens that our national poll results were close enough without any adjustment and while such adjustment would have produced still closer figures in all probability, we would have been in either case within that margin which is sometimes called "the luck range." It must be clear, therefore, that in providing the information given above we have no purpose whatever for saying what might have been. It is merely provided for the future to throw some light upon one of the inflation factors which must be taken into account.

The details of the technique used to show greater inflation on the Dewey side could be summarized as follows:

 A series of attitude questions in a special poll of voting apathy showed greater apathy on the Dewey side, particularly in the vital lower economic levels.

2) Reasons given for voting for Roosevelt appeared to be more positive than reasons given for voting for Dewey.

3) Voters picking Roosevelt, but not sure of their vote in September, were greater than Dewey "not sure" at that time, but by October they had evened up, indicating the trend favoring Roosevelt.

4) Voters were asked how long ago they had decided. Decisions made before the campaigns favored Roosevelt; those made early in the campaigns favored Dewey, but the latter decisions consistently showed the Dewey trend stopped. This might indicate late trends in preferences, but also trends in the degree of interest in the candidates to be expressed in terms of voting or not voting.

The Desire to Say the Right Thing

An oculist once told me that when the average person is examined for glasses a tendency is noted for the patient to report what he thinks the doctor wants him to say. While that seems extreme, there undoubtedly exists a very great problem for the poll taker in making a person interviewed see that the truth is wanted, rather than something pleasing. Many devices are used today to eliminate such bias. For example, in an interview on

brands, effort is made not to concentrate on any one brand in the question so as to provide an indication of the client for whom the job is being done. Then it is important sometimes to rotate the questions so that they share first position. Another device is the inclusion of positives and negatives, or other alternatives with equal value, so far as the wording of the question is concerned.

Inflation of Confusion

We have known for a long while that if one hundred persons are asked to look through an advance copy of a prominent magazine, a certain number will state positively that they had seen the magazine, even though it would have been physically impossible for them to do so The reason for this has been established as two-fold (a) partly because of a desire to say the right thing and (b) partly because of honest confusion of some pictures, lay-outs, titles, etc., in the advance magazine with somehing that had been seen elsewhere. Techniques have been devised, first to measure the extent of this confusion, so as to eliminate it by formula and, second to reduce the inflation to a vanishing point by means of improved questioning.

Telephone Interviews

It is known also that even telephone questions as to what program is being heard at the minute of the call, will produce incorrect information and thus inflation for some one program. To measure this, interviewers had push button sets by their telephones and asked the listener to identify the program over the telephone. The magnitude of such inflation is not very great at the moment of the call, but at other periods remote from the time of listening, it can be of consequence. This is partly because programs heard frequently, programs with big names, and programs which have commanded close attention, can produce a more lasting impression in the mind than others.

inced in all on of reater refore umerection s per

t than voting t that e 1944 at the ad not he lat-

experiered a l each o indine with

sese exs sepaid this, on the elt side. ly that t overbecause who exdid not scovery We had eriment

eemed to s of the ur stories eater inte Roose-

me, and

samples pread to

al poll ret any adljustment

The Inflation of Misunderstanding and Ignorance

Examination of the results of public opinion polls and marketing surveys frequently show high figures for percentage "don't knows." This is a definite danger signal. It is entirely incorrect to assume that the "don't knows" can be distributed the same way that the "answers" are distributed. By ignoring the "don't knows," that in effect is what you do. If the "don't knows" amount to a very small per cent, the question of how they would distribute if an opinion can be obtained is of no great importance. But when their magnitude gets up to 20, 30 or 40 per cent, the distribution when an opinion could be obtained could completely change the results as shown by the division of stated opinions. It, therefore, becomes necessary to make some division of these "don't knows."

There are several reasons why high percentages of "don't knows" are obtained. One is the fact that people do not know what we are talking about, and another is a desire not to express an opinion because that opinion is still in the formative state. It is essential to separate these

things. It is also essential to make the question so clear that it can be understood. Furthermore, unless it is desired to find out how many people don't know what we are talking about, or have no opinion, we should not even ask questions that the public cannot answer. Yet I sometimes feel that some public opinion questions that are asked are, at least temporarily, above the heads of those interviewed. If we are really going into questions like that then a means should be devised to express in a few words and in a completely unbiased manner, just what it is we are talking about, with perhaps a presentation of a few of the principal arguments on both sides.

There is considerable interest today in what can be done to improve polling techniques. It seems to me that those who want to improve this comparatively new measurement device can be of great help in experiments and suggestions. Much work needs to be done to find out how to make certain that people understand what it is we are talking about, do not guess at answers and provide us, either in direct or adjusted form, with information that is reliable and not inflated.

The organization of which the author is president was founded in 1926 and, in the intervening 20 years, has served several hundred leading manufacturers, publications and others. The "Crossley Poll" was begun in 1936 and has been continued since in presidential election years. The firm conducts many polls for magazines, such as Life, Look, Time, Progressive Farmer and others.

ARCHIBALD CROSSLEY is a past president of the Market Research Council and the New York Chapter of the American Marketing Association, member of the American Statistical Association and others. During the war he served on the War Production Board and on committees for the Committee of Economic Development.

A "PRE-VIEW" OF THE PUBLIC RELATIONS PROGRAM OF GENERAL SHOE CORPORATION

WHO, WHAT and HOW

By MAXWELL E. BENSON

Public Relations Director, General Shoe Corporation, Nashville

Doubtless Many companies give a program to all of the people who constitute their management—and perhaps some don't—but General Shoe Corporation decided that such a preview would be an excellent topic for the recent Management Conference of our executives from the twenty plants which we operate from Michigan to Mexico.

In presenting this subject to our executives, a logical and everyday means of approach suggested listing the principal publics, the points to be emphasized in each instance, and how to accomplish the objectives. Here is General Shoe's approach to its public relations program:

Plant Communities

These are the things which we believe our public relations program should emphasize in our plant communities:

The benefits of our plant and company

to the community, such as payrolls, continuous employment, high type citizenship, creditable plant properties; fairness of company policies toward employees on wages, working hours, insurance, pensions, etc.

Our plant communities should also be informed of the progressiveness of our company; how it stays abreast or ahead of other companies in treatment of employees, technological improvement and quality control.

Important, too, in the community picture are the accomplishments of our individual employees. We strive to gain community recognition for employees who have done outstanding work in plant or community. Publicity is given to suggestion award winners, those with perfect attendance records, committee chairmen and company employees who are elected to office in civic clubs.

What Media

The foregoing plant community objectives are accomplished through the use of a series of institutional newspaper advertisements in plant community newspapers, news stories, columns written by employees, and by releasing top General Shoe stories and cuts through local papers.

Letters play an important part in our community plan. They are directed to a selected list of community leaders, city and school officials, teachers, ministers, and other representative citizens. We maintain contacts with other industries of our plant communities and conduct a regular program of plant visitation.

MAXWELL E. BENSON has been Public Relations Director for the General Shoe Corporation for two years. Prior to that, for nearly 20 years, he was in public relations with Tennessee Electric Power Company, and on editorial staffs of six southern-southwestern newspapers. He is a graduate of Vanderbilt University. He plays an extremely active part in the civic life of Nashville, the headquarters city of the corporation he serves.

Keeping all of management informed is important if their understanding and cooperation is expected for the public relations program. Here, in brief form, is how one p.r. director deals with the problem.

undersired to t know ave no lestions Yet I

Yet I opinion at least nose inng into should rds and er, just ith perne prin-

ng techse who ely new eat help Much how to erstand do not ither in

odav in

The Employee Public

Many of the things which are emphasized in our plant community program are carried to our employees through other channels. Particular points of emphasis, however, are:

The character of our company management, the acceptance of our product, benefits received by employees, fairness of company policies and the progressiveness of our company.

Employees are kept informed on legislation and other public acts that are harmful to the company and to themselves.

We present conclusive evidence of the small amount of profit per pair of shoes and of the fact that it is actually the wearer who pays the bills. (That the company has no funds with which to pay salaries and other expenses except that provided by our customers.)

Of course, in this area, the accomplishments of our individual employees receive major emphasis.

The more important tools used in employee relations are our employee publication, *The General*, letters, management bulletins, booklets, news releases, morale surveys, and training courses.

Stockholders

Annual reports, dividend enclosures, and news releases to financial newspapers carry the burden in the stockholder relations phase of our overall program. Here the financial stability, size and growth of

our company; its progressiveness and character of management; the wide acceptance of our products, are the points of emphasis.

Government or Political Relations

Principally through personal contacts, and letters by our executives, we endeavor to bring to the attention of officials at the city, state, and federal levels information as to how our plants benefit the communities of which they are a part; the company's liberal policies and fairness to its employees and management's attitude regarding legislation affecting the welfare of the company and the employees.

Trade Relations

To the trade, through news releases to trade publications, letters, and special articles in trade papers, we focus attention upon the following: The size of our company and its growth; its progressiveness and character of management, the styling, quality and acceptance of our products and the small unit profit.

General Public (Other than Plant Communities)

Our story is carried to the general public through news releases to newspapers and magazines of general circulation. Points of emphasis are the same as that in the area of trade relations except that styling and quality of our products are not stressed.

"Man derives a sense of his consequence in the world not merely subjectively, but objectively. If from the cradle through life the outside world brands a class unfit for this or that work, the character of the class will come to resemble and conform to the character described."—From the Autobiography of Frederick Douglass.

THE WEATHERVANE

By VIRGIL L. RANKIN

Director, American Council on Public Relations

What Is a Business?

and

le ac-

ons

tacts.

e en-

f offi-

levels

enefit

part;

fair-

nent's

ecting

ne em-

ases to

special

atten-

of our

essive-

nt, the

of our

ties)

al pub-

spapers

ulation.

as that

pt that

icts are

Who owns a business? Who runs it? It would seem that everybody should know the answers, but the fact remains that altogether too few people know what business is, or how it is organized.

It would seem obvious, too, that the job of education is one which must be undertaken by business itself. A good approach to the problem is found in a worthwhile booklet titled "This Is a Business." It is issued by the Canadian Chamber of Commerce and provides a short course in business organization. It treats the subject in a crisp, chatty way. It is an entertaining and informative method of introducing the average person to business and to the shareholders, the management, the various officials and what they do, right down to the office girl and the men in the shop.

Radio Is Yours

Radio listeners have the power to obtain better programs if they use the weapons at hand, declares Jerome H. Spingarn, formerly an attorney with the Federal Communications Commission, in a pamphlet entitled *Radio Is Yours*. This is Pamphlet No. 121 issued by the Public Affairs Committee Inc.

Public Relations workers will find interesting Mr. Spingarn's analysis of radio. He points out that the public owns the airways; and as no charge is made to stations for use of the air channels "profits in the radio industry are enormous." The public, it is reported, has spent \$25 for receiving equipment for every dollar which the broadcasters spent for transmitting equipment; the listener not only pays three dollars for every two dollars spent by the advertiser for the upkeep of the programs "but foots the ad-

vertiser's bill in the purchase of the advertiser's goods and services."

Soap operas, commercials, and various types of programs are discussed and analyzed as are the regulatory devices established for radio. The concluding paragraphs tell readers that "when groups or individuals feel that their local radio stations have failed to live up to their obligations to the public, they have a weapon that few of them realize is at hand. They can ask the Federal Communications Commission to hold a hearing on the station's application for renewal and appear as witnesses."

Recently, the FCC has held a few of its hearings in the field. Many people believe that if this practice is continued it will serve to encourage greater popular interest in radio administration.

Still Suspicious

"Although sponsored films enjoy increasing acceptance in the schools, many educators still view them with suspicion," writes Louis M. Stark, Manager, Westinghouse School Service, in *Educational Screen*. These educators, feeling perhaps, that nobody gives anything away for nothing and that industries which produce films are basically profitmaking institutions, look for sales motives and often imply that industries producing films for school use have even subversive purposes beyond name or product advertising.

Mr. Stark states that the most commonly launched criticism of sponsored films is against "objectionable advertising." This, he believes, is due largely to the fact that some films which were produced primarily for sales purposes have been offered to and accepted by the schools for want of better material. The objection, however, is becoming more and more out of date as those in industry learn that sales advertising in school films defeats the real purpose of the films.

A Code of Executive Relations

Public relations consultants will find much to interest them in the article by O. R. Strackbein in The Management Review (September). Many consultants have said that one of the most difficult tasks they encounter in serving business and industrial clients is occasioned by the petty jealousies and frictions among top management. Mr. Strackbein writes, "Strangely enough, men who are good executives in all other respects often fail to accord to their colleagues the considerations that they extend toward subordinates and lower rank employees in general. Whereas they may be trained in correct behavior toward those who work for them, they relax their code when dealing with those who work with them." This, comments the author, is not unlike the distinction between "family manners," which may be shocking, and "company manners," which in comparison may be meticulous.

Some of the hazards at the management level are rivalry for top positions, mordant jealousy that will warp judgment, the temptation to steal the march on fellow executives in winning the attention of president or directorate, making a play through social channels, and cliquish log-rolling.

The disharmony generated by such practices not only reduces the efficiency of management but quickly filters down through all levels and creates poor morale throughout the entire organization.

There are several simple principles, according to Strackbein, which will help in avoiding unhappy executive relationships. Summarized they are: Clear delineation of authority and responsibility, and development of respect for those lines; avoidance of any vestige of fa-

voritism by the senior executive; impersonalizing the application of rules and policies; rendering decisions at a higher management level than that at which a dispute exists. Carefully organized and conducted conferences are also suggested as an aid to development of good executive relations.

A Difficult Task

The public relations profession will have a difficult time gaining the understanding of newspaper editors and publishers just as long as the newspaper editors continue to be deluged with poorly conceived and prepared publicity releases originating from the desks of public relations consultants and directors.

In a recent letter from an Illinois consultant there is related an interesting case in point. This consultant has been retained by a group of 52 newspapers to establish a list of reputable firms in the public relations field as a guide for the group's editors. As a starting point the newspapers submitted to the consultant all publicity releases received over a tenday period. The consultant writes: "We are still working over this material and I am finding the task a difficult one indeed, because, if public relations men are to be judged by much of the material sent to newspapers over their signatures, nothing but a distorted picture and conception of the profession could result."

A Person of First Importance

According to Alvin E. Dodd, President of the American Management Association, the decisions of management have a far more intimate effect on the lives of the average working citizen than do the deliberations of our Congress or state legislatures.

The American Management Association has conducted a survey to determine what managerial qualifications were considered by successful business executives peras most essential to the administration of and human relations in industry. The Assogher ciation has reported its findings in a ch a booklet entitled "Management Appraises and Its Job." It contains checklists of qualiested fications for managers. The survey indixecucates that industrial management is preponderately concerned with the development of human beings in the industrial organization. More and more of managment's attention is focused on the social

mechanism in industry. Public Relations Needed

The farmer cooperative movement was told that it was badly in need of a public relations program. Speaking before the 18th Annual Convention of the American Institute of Cooperation, R. Wayne Newton, Manager of the National Association of Cooperatives, said among other things:

"Like many another industry before us we have deluded ourselves into assuming that the public knew all about us, although we had hardly made a serious move to tell our story to that public in years."

Newton advised his listeners to play an active role in civic and community affairs: to join business organizations, to combat adverse propaganda at its source; to work with schools and colleges in an effort to increase cooperative prestige and influence in that area.

Lobbying Regulated

Public relations men, and particularly their Washington representatives, should familiarize themselves with the provisions of the "Federal Regulation of Lobbying Act" which became law in the dying hours of the recent session of Congress.

This measure provides that, under penalty of a possible fine of \$5,000 and imprisonment for 12 months, plus a possible disqualification of the guilty from lobbying for three years. Each person or organization engaged in lobbying must file with both Houses of Congress, before any future lobbying activities are begun, a statement under oath giving:

- a) His name and business address
- b) Name and address of his employer
- c) The duration of his employment
- d) His compensation
- e) By whom he is paid
- f) How much he is paid for expenses
- g) What expenses are included.

In addition, each lobbyist is required to make a written report every three months giving receipts of all expenses over ten dollars.

Trade associations are keeping their lawyers busy trying to figure out who has to register and who doesn't. The ambiguity of the law is causing the uncertainty. One section of the act covers citizens whose *principal* activity is exerted either for or against legislation by Congress, while other sections of the act appear to include any paid lobbying activities.

Semantics, Again

By whatever name you call it—semantics or the art of plain talk—it is obvious that more attention must be given to the language used in advertisements designed to interpret private enterprise. Industry complains bitterly that its workers do not understand it and the workers say, "How can we understand you when we don't understand the words you use, when you don't speak our language but a gibberish of your own?"

George Kerr has written a provocative article titled "High-falutin' Language Won't Sell Private Enterprise," *Printers'* Ink (September 13). He analyzes an advertisement designed to sell the American system of free enterprise. The text is replete with such terms as "magic fusion," "business unit," "competitive society" and the like. The advertisement concludes by saying the people of America have "the whole of Alladin's lamp of contemporary peacetime abundance."

It is no wonder, says Mr. Kerr, that Mr. American Wage Earner concludes

will nderpubr edioorly leases ic re-

s con-

g case

en reers to
in the
or the
nt the
ultant
a ten: "We
al and
one ins men
mate-

signa-

re and

ald re-

Presit Assogement on the en than gress or

Associatermine ere conecutives that such articles are not for the likes of him.

If American industry wants to enlist the interest and sympathetic understanding of the wage earner and the plain average citizen, it should put its objectives in terms of the interests of the wage earner and average citizen.

"Let the economist write down the thought," advises Mr. Kerr. "Then let it be translated by experienced writers who know how to talk the language of the plain man."

An Example of Plain Talk

The current advertisement of General Mills, one featuring Betty Crocker, is a splendid example of reporting—understandably—how \$298,000,000 was distributed. Brief copy and few adjectives are employed.

Simple, Yet Effective

The letters which are written by a firm's correspondents may contribute greatly to good or bad public relations, and while there have been many plans advanced and courses written with the object of improving business correspondence one of the simplest and most effective techniques is that practiced by Don Ross, Merchandising Manager, Successful Farming. He frequently reviews, with a critical eye, the carbon copies of letters that went out over his signature a year ago.

Reviewing letters, or advertising copy, after it has had time to "become cold" is usually illuminating. One frequently wonders why he ever wrote what he did and gains a much clearer understanding of what the impact of the copy must have been upon the one to whom it was addressed.

Standards Needed

Stephen E. Fitzgerald, writing in *The Public Relations Quarterly*, lays great stress upon the need for "standards" in

public relations. Lack of standards, he points out, has enabled promotion men, press agents, propagandists, unhappy advertising men, ex-newspaper reporters, magazine writers and lots of others to dignify their activity with the title of "public relations counsel."

The author points out that the trend toward professionalism can follow one of three paths: waiting for things to adjust themselves; control by state or Federal legislation; or the establishment of standards and a system of voluntary self control from within the profession itself. He believes that to improve the profession much less emphasis should be placed on publicity and that the primary job of public relations is not to sell the public anything but rather to assist in the formation of sound public policy.

How To Inform the Public

Reported in *Tide* (September 13) is a recent study of the Psychological Corporation in which more than 100 institutional advertisements of various kinds were analyzed. The survey was designed to show how to inform the public of what industry and the free enterprise system means to it.

Major faults of public relations advertising, as revealed in the study, are:

Most public relations or institutional advertisements cover entirely too much ground at one time.

Most institutional campaigns cover too great a variety of subjects and contain too much material.

Most institutional campaigns lack a unified theme with an emotional impact strong enough to serve as a mental hook to which a series of impressions can be firmly attached.

It has often been said before—and this survey appears to support the statement—that in public relations or institutional advertising industry has failed to use the skills and knowledge it has developed in merchandising its products.

The second part of a historical study of the development of public opinion measurement in America. The third and concluding part will appear in the November issue.

The Researcher's Flaming Torch Keeps Burning Bright

By BEN S. TRYNIN

Research Editor, American Council on Public Relations

PART II

ALL THIS TIME, while these various research efforts were being made into advertising techniques, the total picture of advertising, as a social asset, was becoming clouded.

Political pressure in Washington, D. C. —prodded by die-hard opposition—was menacing the future trend of advertising as a total activity. Taxation measures were threatening. Other obstacles were in sight.

Since 1937, Neil Borden, of Harvard, had been quietly at work on a profound study of the social and economic effects of American advertising on our present-day living standards. His work was financed, at the outset, by a \$30,000 gift from Mrs. Alfred W. Erickson, widow of a McCann-Erickson partner.

This project took all of four years, and ran into larger sums than anticipated. Harvard, and others, contributed to make up the deficit.

Late in 1941, Dr. Borden emerged with a 1,000-page volume, based on hundreds and hundreds of case histories. In this monumental research, he covered thoroughly the drive afforded by advertising on our dynamic expanding economy; its role in promoting the development of new products; its power of creating a wider demand for new and different merchandise; its influence on new investment and new income; its impact on the highest living standard (at a level unknown in previous centuries).

Borden, as a true scholar, went on to show the other side of the picture; the need for more consumer education; the dangers of indirect monopoly, of rigid price policy, of competitive waste, and high distribtuion costs. (Later Don Francisco countered with: "Can distribution cost too much?")

As an economist, Borden felt confident that natural correctives would apply a remedy; private brands, chain stores, super markets, consumer movements.

Following the Harvard study, it was rumored that the National Industrial Conference Board planned to conduct a further study along this line. It was felt that, despite the Harvard study's broad coverage, an additional area could be surveyed.

Early in 1946, five years after Borden's exhaustive report, *Tide* conducted its third panel in New York City on "Can advertising raise our standard of living?" Previous panels had been devoted to such topics as "Advertising's Social Responsibility" (March, 1945) and "Advertising and Full Employment" (August, 1945).

The third panel covered a vast area—from probing the reasons for cutting advertising appropriations in depression (when they should be increased) and expanding them in prosperity periods (when they should be curtailed) to the general question of whether advertising men were wise enough, and influential

en, aders, to of

he

end e of

ust eral ndon-

He sion on of

blic for-

is a rpotituinds gned what

stem lverional

over

ck a npact hook in be

d this ement tional se the oed in enough, to level out the booms and troughs of the bsuiness cycle. Other questions raised: "Could advertising urge restraint on free spending in the postwar boom period?" "Could business men be taught the ABC of economics?" "Was the true American living-standard one to be bought and sold, or did it include other intangible factors, such as leisure and culture?"

The beginnings of American market research history were not obtainable from the clippings in my file, but I found a large booklet, published by the Metropolitan Life Insurance Company Policyholders Service Bureau (1928) which was prepared for the New England Council. It contained a 24-page outline of current methods to improve customer service, new products and uses, and ways of meeting the style problem.

Other studies were mentioned as having been published previously—on "Applying Research to Sales," "Production Research," and "Employment Stabilization through Research." (These were all published before the 1929 downturn.)

Copeland and Cherington had published their historic books on business statistics and commercial research in the early 1920s, and referred to efforts conducted even before World War I.

The Department of Commerce

During the 1920s, some of the larger New York banks were merchandising their foreign-trade market research aid to American customers reaching out for export trade. The Department of Commerce, under Secretary Herbert Hoover, had done a remarkable work in foreign market studies. Congress had sent James Parke Young to foreign countries to study the economic interactions of foreign currencies and prices.

Certain publishers had attempted to compile local market data, indicating population, purchasing power and retail outlets, for the use of their present and prospective advertisers. Early in 1941, Vergil D. Reed (then assistant Census director) offered to marketers a new Government service in the form of a 66-page "Key to the Published and Tabulated Data for Small Areas," which divided the country's markets down to the 1940 local tracts. He was active in attempting to educate advertising and marketing men on the proper use of census data, on the significant changes in trend revealed by census reports.

The Census Bureau

In October, 1941, the Census Bureau recommended to Congress that it be empowered to conduct more sampling studies in place of the widely spaced field enumeration counts previously taken. A need was felt for quick estimates of the rapidly changing population shifts and markets arising from the war situation.

Confidence in sampling techniques had been gained from the pioneer work done by men like Gallup, Roper, Starch and others.

Practical sales-managers objected to such sampling methods. They claimed that opinion polls reflected majority opinions, but did not expose the various deviations from the average. Marketing interest was focused not only on majority, but also on minority, classes of buyers.

Marketing research programs, by the sampling method, proceeded apace, however. In February, 1943, Ross Federal made a study of 60 "typical American markets" for the *Providence Bulletin* and described Denver as the "top test market." (Providence came second.)

In 1944, the Research Company of America had developed a dual method of market research—a horizontal survey involving the relationship of the product with national conditions, and a vertical survey studying the specific local market situation.

The rising role of the supermarket in local markets was demonstrated forcefully by *Modern Magazines* survey appearing in October, 1945 (its sixth). A number of trade and industrial periodicals, as the 1945 year approached its end, offered for free distribution some very helpful market surveys of mills, plants, wholesale and retail outlets in the national market. A New York foreign advertising and marketing research bureau opened its doors at that time.

Master Population Sample

In January, 1946, a "Master Sample of Total United States Population" was announced by a group composed of researchers connected with the U. S. Bureau of Agricultural Economics, Statistical Laboratory of Iowa State College, and Census Bureau. Drawn from aerial maps, it disclosed the national market down to its smallest areas.

Started in 1943 by Rensis Likert, of the Bureau of Agricultural Economics who wished to compile a "Master Sample of Agriculture"—it was developed by the Iowa statisticians. In 1945, the Census Bureau joined in this colossal effort.

The Bureaus of Agricultural Economics and Census set up a joint committee to administer this Master Sample, and to advise and help commercial researchers to design smaller samples from it.

Despite these advances, the Census Bureau met with mishap in the following months, when the House Census Committee met in hearings on its proposed activities. Learning of the sampling techniques which the Bureau wished to follow, Congressman Rankin (Mississippi) objected vigorously to "putting the Bureau of Census into the guessing game." Others protested against frequent spotsampling work by the Census Bureau as a threat to their private commercial efforts.

As already seen, the research process of "exchanging information and opinions" was being developed during the wartime period.

In February, 1941, the Advertising Women of New York developed an interesting contact between business representatives and consumer groups. For weeks, its representatives held informal sessions with consumer group delegates and aired many controversial issues. Then a wide open all-day forum was held at the Pennsylvania Hotel in which 3,000 women participated, and the final discussions covered all left unsaid in the previous small meetings.

"Clinics" and "forums" became more popular during the following war-years. Government agencies and trade organizations called more and more regional and local conferences for exchange of views, know-how, and experiences. The National Association of Manufacturers and American Council on Public Relations developed strong programs along these lines.

In April, 1946, the Grocery Manufacturers' Representatives lined up with a retailers' team for a panel discussion on "what to expect from manufacturers and processors in the way of postwar cooperation." Various advertising and merchandising policies were belabored and praised. (One man complained that history seemed to swing between buyers' and sellers' markets and "there was no armistice.")

Attitude of Salesmen

Just before Pearl Harbor, the Boston Sales Managers Club invited Dr. Tosdal (Harvard) and Ross Cunningham (MIT) to survey the attitudes of 1,440 salesmen toward their sales managers. (Most salesmen liked their bosses, but hoped for a closer personal contact.)

In 1941, the New York World Telegram launched a fascinating study into the mechanics of the flow of goods into the hands of consumers, examining this process in the light of various promotional devices used to stimulate sales.

Over 600 items were studied. Records were kept of inventories of jobbers and dealers, and of consumers' purchases, in sampled areas.

reau emtudenuneed oidly

kets

hen

ar-

the

hed

as."

was

ver-

per

re-

had done and d to imed

devig inority, yers. y the howderal

rican

n and

marny of nod of ey inoduct ertical narket

ket in forceey apIn 200 stores, a count was taken of merchandise kept in sight and in touch; in sight, but out of touch; out of sight, and out of touch; in window and counterfloor display; or featured by circulars, store advertising, special price or combination deals, or premium or gift offers These were correlated with advertising expenditures in newspapers, magazines and radio.

Consumer Jury

Consumer uses of products were studied in 1941. Two women played an important role in this prewar development.

A year before, Mrs. Edythe Bright, onetime beauty editor, resigned from Montgomery Ward (NY) and joined Luxor Inc., for whom she initiated a consumer jury to test the packaging of bubble bath powders.

Her idea was unique: she contacted 55 women volunteers, who acted as "jury heads" or "centers" in different cities. These women came from all walks of life, \$1,000 a year stenographers to club leaders with a \$25,000 income. They worked without pay, in a spirit of service. Occasionally they received holiday gifts.

These women received a monthly assignment—a question to be answered—with instructions on how many other women to contact in their locality for their individual opinions. Sometimes, as may as 25 women were canvassed in each of these 55 localities from coast to coast.

In June, 1941, the Women's Advertising Club of Chicago awarded the Josephine Snapp prize to Barbara Daly Anderson for making the "outstanding contribution to advertising during the year." Mrs. Anderson was director of the Parents' Magazine Consumer Service Bureau, and contacted 1,400 readers constantly for their consumer opinions of products and services. (She was, incidently, president of the N. Y. Women's Advertising Club.)

Product-use research was developing firmly in the early war period. One trade

paper advertisement—sponsored by C. C. Chapelle, a Chicago marketing researcher—revealed that "one selling idea, developed from research, added almost \$1,000,000 to the sales of a famous toilet article."

far

get

tai

ad

im

rai

an

wa

Fa

su

tu

ve

ca

0

SU

cl

ili

di

st

ca

us

li

a

According to Chapelle, it was discovered that 50 per cent of new users discontinued using the article after emptying the first package. Research divulged the reasons and the remedy. According to his statement, he had been studying productuses for 13 years.

Manufacturers, in 1941, were becoming more aware of the importance of product research to establish their advertised claims. The Proprietary Association was doing a good job of it. The Toilet Goods Association was warned, in June, by its director of Board of Standards, that too little research was done by its members to verify advertising claims. This resulted in consumer-group gripes, and threats from the Food and Drug Administration and the Federal Trade Commission.

Unfortunately, the war period drew the energies of manufacturers into research in other fields. A survey, published in March, 1946, revealed that, among 198 advertisers, only 62 had research laboratories for the testing or improving of their products.

We have referred to the consumerhabits studied by various newspaper publishers—notably, the *Milwaukee Journal* which began its program in the 1920s, and others.

Meat-eating Habits

Advertisers and trade groups conducted similar studies in a nationwide way. In 1940, the American Meat Institute launched an extensive program to survey meat-eating habits before spending \$2,000,000 in an advertising campaign. Questionnaire technique was closely studied. Major emphasis was placed on the reactions of brides—meat purchasers of future families. (Although the average

by C.
ng reg idea,
almost

liscovlisconptying ed the to his oduct-

ecom-

Toilet June, dards. by its claims. gripes. ag Ad-

drew to relished among search roving

r pub-

ournal

cononwide Instiam to

am to spendcamscloseced on hasers verage family spent 30 per cent of its food budget for meat, it was learned that food retailers devoted only 17 per cent of their advertising space to meat.)

Nielsen, in the early 1940s, studied the impact of rising war income on consumer buying habits. He found that the trend ran to larger packages, quality brands and semi-luxury buying. This conclusion was verified by Dr. Everett Smith (MacFadden) in his own "continuing consumption index."

In 1943, the Can Manufacturers Institute surveyed the consumer use of canned vegetables and fruits, and found the per capita use rising.

The American Institute of Public Opinion (Gallup) surveyed the American habit of milk consumption, learned that only half of adults interviewed had "drunk milk the day before." More men than women admitted drinking it.

In 1944, Industrial Surveys made a survey of coffee drinking habits; concluded that almost half of American families used over 30 lbs. per year. Laborers drank more coffee than executives; oldsters more than youngsters.

In March, 1946, Good Housekeeping canvassed the grooming habits of 1,776 women, and observed that 95 per cent used face powder, 93 per cent went in for lipstick and deodorants, and 83 per cent admitted to using rouge.

Economic Research

Economic research had gained strides during the New Deal administration since 1933. During the 1920s, the Federal Trade Commission and other agencies had done much investigating of "big business." Scientific lack of bias was questioned in many cases. The zeal was more of the prosecutor than the researcher. But fact-gathering—even if one sided—was tremendous.

In its much discussed prewar suit against the Great Atlantic and Pacific Tea Company, the Federal anti-trust researchers managed to present some 4,440 exhibits, enough to fill 15,000 record pages.

Since 1933, the Government Information Service has conducted a clipping service, which now averages about 15,000 daily. Today it not only clips newspapers, but also keeps a radio listening service, answers letters of inquiry, and conducts a continuing poll of public opinion. It operates on a yearly \$450,000 budget, serving Federal agencies and private companies alike.

Political Topics Stressed

Its continuing opinion-poll contacts 500 newspaper editors in localities from coast to coast, labor editors, housewives, social workers and clergymen. Current political topics are the major items tapped.

The War Department, in 1944, established the U. S. Strategic Bombing Survey, with headquarters in London and Frankfurt. Crews of trained researchers inspected factories and cities, interviewed thousands of Germans. Produced was a report of 109 pages on public reactions to Allied bombing attacks.

The committee in charge of this survey was comprised of civilians—including two lawyers, three government officials, an editor, a college professor and an engineer.

Morale was found to be weaker in bombed cities than in areas untouched by attacking forces; and bombs devastated civilian morale more than radio scripts could do.

A subsequent effort has been launched to measure the effect of atomic bombing on the Japanese civilian morale.

In March this year, Dr. Vannevar Bush, director of the Office of Scientific Research and Development, appointed a committee of leading industrialists, government officials and educators to study the role of Government in future military, public and private research. Congress has seemed favorable to the idea generally, but has not favored much re-

search in the social or human fields.

Various Federal agencies have conducted other studies in the fields of human behavior, however. In February, 1945, Dr. Louis Paradiso, of the Department of Commerce, published his observations on the behavior of 174 products and service in common consumption. Comparing their trends with that of disposable income, he classified these products and services into three groups-sensitive, somewhat sensitive, and insensitive. Only 20 per cent fluctuated directly with the national income trend. (A revised study was written by the present writer, and published in the Public Relations Journal last February under the title, "Money Talks.")

Study of Savings

A postwar study of consumer savings has been made by the U. S. Bureau of Labor Statistics. It has revealed a dwindling trend among the lower-incomed worker groups.

Just as Federal research studied the civil economy, some research has been done during the war period on the Federal government itself, and its impact on the nation.

In November, 1941, Nielsen reported his study of the flow of goods from factory to jobber to retailer. He warned the nation that the jobbers were stocking up (in fear of Federal control and goods shortage), and that retailers were not moving the goods. In November, 1943, he followed up this study with one ascertaining the disarranging effect of OPA rationing of local markets—the high consumption markets feeling a scarcity, and the low consumption markets doing better.

McCalls polled a sample of housewives, and found that 37 per cent favored rationing, and 83 per cent blamed the goods shortage on hoarders.

Roper, Gallup and others did yeoman service during the war-emergency period. Many new local polling services were started. One, for example, specialized in Texas opinion—polling local black and white voters on candidates and issues.

Lowell Mellett, the newspaperman, published a *Handbook of Politics* to guide citizens wishing to survey the deeds and misdeeds of their Congressmen. The CIO-Political Action Committee opened a school for political workers a few months ago, and offered, among its courses, one in political research. A lecture was entitled, "Techniques of Dealing with Congress."

sa

th

hi

WI

Pi

As

he

Ja

cli

hi

tu

m

of

wi

us

ing

co

m

fo

cie

Of letters pouring into Congress at the time, the N. Y. Times reported (June 8, 1946) that many came from union members and their families disgusted with strikes, asking them to vote for laws providing stricter labor control. National Research Opinion Center (Denver University) reported a survey revealing that only one person in eight writes to Congressmen. This survey was nationwide, made through 200 interviewers.

Federal Regulations Studied

The impact of Federal wartime regulations received close study by many trade groups. In Kansas City, twenty leading banks and retailers surveyed their customers and learned that many did not understand the meaning of the new Federal rules regarding installment buying.

Tide surveyed the opinions of advertising and public relations men toward the Federal Communications Commission (and got some favorable replies).

Further government research has been urged by some private organizations who were critical of Federal studies made in the recent past. N. W. Ayer & Son, in a recent advertisement, has asked the government to do some research on "what is a fair profit?" Ayer has claimed that there never is, and never was, a certain figure—like 3 per cent or 10 per cent, but that it "varies from business to business." Others have added: "from year to year."

(To be concluded in the November Journal)

The Colleges Conquer Another Crisis

By GUY E. SNAVELY

Executive Director, Association of American Colleges, Washington, D. C.

The colleges with complete unanimity cooperated with the Army, Navy and other government departments in the prosecution of World War II. In the same spirit and with the same enthusiasm they are doing their utmost to meet the terrific problems involved in the increased enrollments due to federal aid for higher education offered to veterans in the so-called G.I. Bill of Rights.

On the day after Pearl Harbor the writer sent the following telegram to President Roosevelt:

The Association of American Colleges pledges enthusiastic and loyal support in present crisis. We stand ready to help in any way possible.

Under date of December 29, 1941, President Roosevelt sent greetings to the Association of American Colleges which held its annual meeting in Baltimore, January 2-3, 1942, with which he concluded:

The United States needs the services of its institutions of higher learning and we know we can depend upon their complete cooperation in carrying forward the present war effort.

At this meeting, attended by the greatest number of college presidents in the history of the Association, member institutions responded promptly and unanimously to the President's greeting by offering their total facilities for the early winning of the war.

A large number of the colleges were used by the Army and Navy for the training of officers and technicians. From the college faculties went large numbers of men and women to serve in the armed forces, in many other government agencies, in research and other positions of direct value to the war effort. Honorable

indeed is the gallant record of the colleges in turning over their full resources for the speedy winning of the war.

The year before Pearl Harbor the total enrollment in all kinds of institutions of higher education in the United States totaled nearly 1,500,000. With free educational opportunities offered by a grateful nation to its deserving veterans, it is apparent that the enrollment figures this fall will be some one quarter to one third more than in 1940-41.

This unexpected and unprecedented increase in enrollment has caused the colleges to face a real crisis. They will be hard pressed to find not only competent faculty for the increase of students, but also, housing, classroom, laboratory and other facilities.

The faculty situation is made more difficult in several particulars. Quite a number of teachers will stay in government posts, or will be lured by higher salaries to positions in industry and commerce, or will be attracted to higher paying opportunities in scientific research. Many young men were detained on war duty for three or four years who logically would have expected to continue their post graduate study in order to prepare themselves for college teaching.

In spite of these difficulties, the record shows that the colleges are meeting the situation nobly. From statements made by many college presidents whom I have seen lately, by letters received from others, and by my own observation at some thirty colleges or universities which I have visited recently, there is convincing evidence to corroborate the foregoing observation. In many cases, faculty members are given extra sections with corresponding extra pay. Class sections are larger than in the days before the war.

ed in and s.

s to leeds The ened

few g its lec-Deal-

ne 8, nemwith

al Reniverthat Conwide,

egulatrade eading custoot un-

adveroward nission

is who

ederal

ade in n, in a ne govwhat is d that certain nt, but iness."

year."

irnal)

Some of the elective courses, usually chosen by a small number of advanced students, are temporarily discontinued. Professors who have recently retired on an age limit basis (notably at 65 years) and who are in good health, are being given temporary reappointment. Some foreign scholars displaced by the totalitarian regimes of Germany and Italy are being employed. More well trained women instructors are receiving faculty appointments.

It is becoming a general practice among the colleges and universities, both large and small, to make increases in salaries so that the staff members will be in a better position to face the rising cost of living. A number of institutions have granted two or more salary raises during the war period. A letter has just come from a former student, recently retired from the army as a major, indicating real pleasure at the notice he received from his president in a state college in Georgia that he was welcome back to his old position, where his salary had been raised twice during his absence on military duty.

The salary raises in most cases come from slight increases in tuition fees Many colleges have been obliged to raise the fees. Only one complaint of this procedure has been noted in the press. The public should be educated to the fact that students pay from one quarter to one half of what their college education really costs. The extra income for the education of an individual comes from state or municipal taxes, or from interest on endowment funds, or by contributions by church bodies, alumni and other interested friends of the various colleges and universities. As far as the writer knows. there is only one standard four-year college in the country that makes full tuition charge for the cost of instruction-\$1,600 per annum. However, this college makes liberal allowances for scholarships and loans to worthy and deserving members of its student body.

Resourceful indeed have been the col-

lege administrators in finding additional housing for the unexpected influx of veterans. On a recent trip in the Rocky Mountain area, the writer was amazed to see the mushroom hamlets of quonset huts. trailer camps, and other temporary buildings adjacent to the campuses at the University of Denver, the University of Colorado, the University of Wyoming. Similar situations prevail in all the other large institutions. In some cases, the federal government is furnishing transportation for veterans to housing centers, located ten miles or more away from the university campus, which are no longer in use and are turned over on a lend-lease basis to the university by some army or navy unit. Certain sections of these temporary quarters are utilized by single veterans, other sections by married veterans. On a visit to one campus the writer was surprised and pleased by the apparent satisfactory adjustments enjoyed by the young wives and their babies in the congested trailer camp village.

Yankee Ingenuity

Further adjustments are being made in solving the housing problems in smaller colleges by obtaining dormitory facilities through a house-to-house canvass in the community adjacent to the college. Transylvania College has purchased a four-story brick apartment building that will be used to house 100 additional single veterans in the fall. The so-called Yankee ingenuity is put to use in solving these unexpected housing problems.

The spirit in which the colleges are meeting the unusual housing situation is indicated by a recent statement made in the Mount Union College *Bulletin* by President Charles B. Ketcham concerning "White Hollow," the name given the community of married veterans who live in trailers on the edge of the Mount Union College quadrangle:

White Hollow is interesting from another angle. It brings a new note to the college campus. Before the litional lux of Rocky azed to et huts. buildhe Uniof Colo-Similar arge inral govtion for ted ten iversity use and basis to or navy nporary eterans, ns. On a vas surnt satis-

made in smaller facilities ss in the ge. Tranla four-that will al single I Yankee ing these

ne young

ongested

leges are uation is made in lletin by concerngiven the who live e Mount

g from w note ore the war, marriage for college students was frowned upon. Young love had to content itself with dreams and dances and fraternity pins. In White Hollow love has come of age. Children play in the grass, family washings hang on the line and the household tasks common to every home are the daily routine of the community. Some are already prophseying that we shall never go back to the restrictive rules of the prewar period with respect to marriage. Whether that will be so or not, it is impossible to say now with confidence, but this much at least is true.—we are living through a social revolution on the campus today and liking it.

The "big name" universities have been turning away students for weeks. All of them are making arrangements to readmit their former students who had gone off to war service before completing their courses. In addition, the state universities are making it a rule to find places for all students of their respective states, particularly for veterans, whether they have been previously enrolled or not. Through the aid of Veterans Administration guidance centers and other counselling offices. veterans are beig convinced that they will find just as excellent courses in the small and less renowned institutions. One fine southern college, whose high standing is indicated by its Phi Beta Kappa chapter, reports that it still has dormitory vacancies for single veterans. Accredited junior colleges and four year teachers colleges also report that they still have housing facilities available for veterans.

A "Swing-shift" in Education

The institutions of higher education have exercised great ingenuity in finding additional classroom space. They have extended their recitation hours to utilize classroom space with late afternoon and evening classes. A number will operate classes up to ten o'clock at night.

Quite a few institutions will use addi-

tional buildings adjacent to the campus. Birmingham-Southern College is planning to use the classrooms in the large Methodist Church across the street from the campus. Allegheny College has rented a wing of the large Odd Fellows Home for Orphans located on a lot continguous to its campus.

Temporary Junior Colleges

A group of colleges in a number of states has united in the organization of temporary junior colleges. Notable is the arrangement in New York State where the Governor has allocated considerable funds for the establishment of two such large institutions, one at the Camp Sampson Naval Base, near the middle of the State, and another at an Army camp in the eastern part near Plattsburg. These two colleges will be directed by committees of presidents of nearby colleges and universities. Thus some additional twenty-five thousand students from New York can be admitted to college this fall. There is discussion, also, of the establishment of an additional unit in Long Island.

In Massachusetts a similar situation prevails at Fort Devens, where the newly established college will be under the direction of neighboring institutions. Under the leadership of the Governor of Pennsylvania some ten temporary junior colleges are being set up in cooperation with the administrators of nearby institutions of higher education. Similar situations prevail in a number of other states.

The present plan is to continue these temporary affiliated college units for the period of the emergency only. Estimates by the officers of the Veterans Administration and other competent persons would indicate that this emergency will pass within four or five years.

The general belief is that more students will be going to college even after this emergency is over than heretofore. In anticipation of this contingency, college and university administrators are on the alert to have additional facilities of as permanent a nature as possible.

The colleges have the problem, also, of obtaining additional equipment like laboratory supplies, office supplies, desks, beds, chairs, etc. They have been keenly disappointed in not obtaining a considerable part of supplies of this type that have been declared surplus by the Army and Navy. They have been completely blocked by entangling red tape in obtaining supplies from the War Assets Administration. It is confidently expected that the new administrator of this organization, Major General Robert M. Littlejohn, will have the dexterity and shears of sufficient strength to cut the red tape

that has strangled out of office his predecessors.

As was anticipated, many of the veterans are inclined to enroll in vocational courses and pass up the opportunity of one or more years of a liberal arts education.

From all reports, it would seem that practically every competent and prepared veteran will be able to enroll in an accredited institution of higher learning this fall, especially if he is willing to forego his ambition to be admitted to one of the great universities, which may be famous for football, social life, or research opportunities.

GUY EVERETT SNAVELY was born in Antietam, Md. He received his A.B. from Johns Hopkins in 1901, Ph.D in 1908. In 1925 he received his Li.D. from Emory University; Ed.D. from Whitman College, 1945. From 1902 to 1919, he served Allegheny College in various capacities from instructor to registrar. In 1919:1921 he was Dean of Converse College, and in 1921 became President, Birmingham Southern College. In 1937 he went to the Association of American Colleges as its Executive Director, the position he now holds. He is an author, editor, and a contributor to philosophical and educational journals.

DIVIDED LOYALTIES AND PUBLIC RELATIONS

(Continued from page 14)

but as devotees to a discipline they are keyed to the super-loyalty which is truth. Only under such circumstances can they remain useful counsellors and managers; and only under such circumstances will they be allowed to play a part in society.

Perhaps if public relations engineers develop the art of using effectively the instruments at their disposal, such as candor, honesty, complete presentation, the practice of weighing good and bad, and the correlation of events and policies with the times, they may have lasting effect upon public policy. Perhaps this, in turn, may provide the foundations for a new set of social sciences which would be less

emotional and partisan than those we have.

In the see-saw of human events, which is our social life, are many factors and multiple situations. Economic liberalism may lead to human distress. Government regulation curbs initiative. Emphasis on high profits leads to low labor performance. All these need to be woven together, balanced, harmonized. Let this effort not come too soon nor be delayed too long. The world is our field, the state our laboratory, and the emphasis upon human relations in their public aspects our immediate hope.

The Narbeth Movement

By WILLIAM G. SMITH

Assistant Executive Secretary, National Council of Catholic Men, Washington, D.C.

In 1928 AL SMITH was defeated for the Presidency of the United States. One of the reasons for his defeat was religious bigotry—not the major one, perhaps, but one of them, at any rate. Many of us recall the bugaboo that was raised at that time: "If Smith becomes President, it won't be long before the Pope will march into the White House." A bromide, of course, but effective nonetheless in a whispering campaign.

Just after Smith was defeated, a topflight advertising executive in Philadelphia, Karl Rogers, decided that it was about time that the American people found out something about what Catholics really believed. So in 1929 he started The Catholic Information Society of Narberth. The name came from the town of Narberth in Merion County. Pennsylvania, situated a few miles outside Philadelphia in the famous "Main Line" neighborhood.

Always mindful of his training in advertising, Rogers decided to use advertising techniques in explaining the Catholic religion. His maiden effort was a brief pamphlet entitled: "There's Something Wrong with the Catholics." It was quite brief—only about 300 words. But it attracted attention when it was sent to a relatively small group of non-Catholics in the neighborhood. The pamphlet offered to send to each person a monthly "neighbor-to-neighbor" message "explaining frankly some Catholic belief or practice which is widely misunderstood or not known."

Some of the subsequent pamphlets, each still only 300 words long, were given such titles as: "Albert of the Belgians-Harry of the Police"; "Is the Catholic Mind Hide-Bound?" "Do You Mind if We Ask Our Mother?" They treated such questions as the dignity of the human being, be he king or cop; the Catholic's freedom of belief, and the devotion paid by Catholics to the Mother of God.

The pamphlets kept coming, and the people kept liking them. Soon other sections of the country heard of the Movement, for Rogers was an indefatigable speaker and writer.

He offered to provide his pamphlets for other societies modeled on his own, and to imprint their names on the last page of his little pamphlet for a nominal cost. The other expenses, such as postage, envelopes, etc., were borne by the individual societies.

In Parkersburg, West Virginia, the local society conceived the idea of running the copy in the local newspaper, the Sentinel. This inaugurated the Narberth newspaper plan which is the one generally followed today.

Karl Rogers died in 1942 and the work of the Narberth Movement was taken over and sponsored by the National Council of Catholic Men who continue in the Rogers tradition, save that owing to war difficulties, the pamphlets were no longer printed by headquarters. It now supplies only the copy for publication by local societies in the secular press of their areas.

The general philosophy underlying the Movement is perhaps best expressed in the words of Rogers himself: "The advertising man must know his product, his market, his competition, and the minds of prospective customers. Advertising may have the dubious boast of making women smoke more and wear less, but it can also be credited with causing great numbers to use tooth brushes, dentrifices and soap.

prede-

e vetercational nity of

ts edu-

em that

repared

an ac-

earning

lling to

d to one

may be

esearch

nose we

S

s, which ors and peralism ernment hasis on perforoven to-Let this delayed he state sis upon

aspects

Advertising announces a product, keeps reminding of it, works on the selfish principle that it will do the individual or firm good to have it, shows how one can get further information by catalog or salesman's call or visit to the sales room."

Such are the principles applied to the Narberth articles. They are brief, pointed and keep coming back again and again. week after week. The articles do not try to make a convert to the Church out of every person who reads them, but simply to make the Church better known and understood. They try to stop bigotry in its tracks—racial and religious.

For example, in an article on the Catholic devotion to the Blessed Virgin, the intention is not to make the non-Catholic reader a convert to the Catholic belief in the divine maternity of the Blessed Virgin, but simply, at the outset, to disabuse him of the notion that Catholics adore Mary the same as they do God. If that much is accomplished, the article has done its job.

Five Years' Supply

Through the National Council of Catholic Men in Washington, various Catholic groups throughout the country procure copies of the text of the articles, printed in blocks of fifty-two—one for each week in the year. At present there are enough articles available for five years' presentation.

Most of the coperating groups who use the articles are Holy Name Societies. Catholic Information organizations, Sodalities, Knights of Columbus Councils, etc. Any Catholic laymen's organization affiliated with the National Council of Catholic Men is entitled yearly to one set of articles gratis. The National Council of Catholic Men recommends that its affiliated organizations engage in the Narberth work to the extent that they approach newspapers in their areas and ask the editors to run an article a week.

The original articles written by Karl

Rogers are still available for distribution and are generally used by a new group that is just starting the work. Since the death of Rogers, the series has been continued by Rev. Richard Ginder, a priest of the Diocese of Pittsburgh, Associate Editor of *Our Sunday Visitor*, a weekly Catholic paper.

Aimed at Newspapers

The major aim, however, is to have the articles run in local newspapers. The aim, too, is to have the editor give free space for the articles. The reasonableness of this aim is indicated by the fact that in most papers a full page is frequently devoted each Saturday to a weekly Sunday School lesson, and other church news, and perhaps a sermon, usually by a Protestant divine. This fact is pointed out to the editor, and the Catholic group requests simply that it be given some space, too.

That this plan is effective is indicated by the fact that at this writing 252 newspapers are carrying the articles weekly. The combined circulation of these papers is approximately 2,000,000.

No attempt is made to be selective in the matter of the secular press. If it is a newspaper, whether a weekly or a daily, and it is not carrying Narberth releases, it is considered a prospect.

At the end of each article, is always the caption, "If it's anything Catholic, ask a Catholic." Also pointed to each of the printed articles is the name of the sponsoring society and its address. The purpose of this is to bring the approach down to a community basis, so the interested reader will feel that he is not dealing with some shadowy organization far away from home, but that he can call upon somebody in his own neighborhood if he wants further information.

That the articles are effective in combating bigotry goes without saying. The tangible results of actual converts to the Catholic faith made through the articles has never been computed.

THE ANNUAL REPORT

AN EFFECTIVE PUBLIC RELATIONS DOCUMENT

By JOACHIM SILBERMANN
Partner, PICKS-S, New York

Too MANY corporation executives are still "missing the boat" pretty badly in the treatment of their company's annual report. Only about one in every three of the leading corporations of the nation use their annual report to stockholders as an effective public relations document.

The remainder are wasting an excellent opportunity to do an educational job—winning friends for their company and its management, disseminating valuable educational information to the public, their own workers and employees, government officials, customers, clients, and others.

The law directs that each corporation report annually to its stockholders. This "code" creates further opportunities to:

- A) Give the stockholders or "owners" of the corporation a complete analysis of the workings of their company.
- B) Impart factual and verified information to employees and workers.
- C) Explain the company's position in the industry to clients, suppliers, and to the public.
- D) Advertise and explain the company's products and services.

The opportunity is there. How to take advantage of it?

The annual report must be well planned, appealingly presented, and ex-

pertly written. Such an annual report, distributed not only to stockholders, but to a carefully selected list of interested people, has proved of immense value. It strikes at the core of your public relations, and it strikes quickly, basicly, and effectively.

A continued analysis over the last five years of the most effective reports, has revealed some definite tendencies and trends.

The Cover

The outside of a modern annual report should have all the qualities of a newspaper or a magazine. It should entice the recipient to open the report and to read it. It should arouse his interest. It should intrigue, amuse, arouse curiosity, or puzzle him—all with a view to making him take time out and investigate its interior to see what message it contains.

The Report Itself

The report should be prefaced by an introductory letter from the president. This should be a short letter—never more than two pages, and should contain, in the most condensed form, the most pertinent facts of the year under review. It should, in addition, contain whatever other information is available at the time the letter is written about current corporate affairs.

In many cases it has been found advantageous to include a "highlight box" or "news at a glance" which contains comparative figures on sales volume, gross profits, net earnings, taxes, wages, operating expenses, and capitalization.

The Financial Part

For the recipient who reads this first section, a glance should provide him with a bird's eye view of the affairs of the company. The next section, however, should

The author is a partner of Pick-s, New York, an organization specializing in the preparation of corporation reports, with emphasis on graphic presentation of corporate statistics. For ten years he was foreign manager of Moody's Investors Service, Ltd., of London; a representative of the London Economist and the Financial News. He has written extensively on annual reports and his firm serves leading industrial corporations, railroads, and insurance companies in the preparation of their financial and employee reports.

e in comying. The erts to the

ibution

r group nce the

en cona priest

ssociate

weekly

nave the

The aim.

ee space

eness of

that in

ntly de-

Sunday

ews, and

otestant

t to the

requests

ace, too.

ndicated

52 news-

weekly.

se papers

ective in

If it is a

a daily.

releases.

ways the

lic, ask a

h of the

the spon-

The pur-

ach down

nterested

aling with

ar away

be written for the careful analysts of the corporation's financial status.

The financial report should be well illustrated, graphically. These illustrations should be arranged so that they give the reader dramatic and easily understandable statistical information, and provide the analyst with accurate figures at the same time.

Subjects which lend themselves particularly well to graphical illustrations are:

Gross and Net Income

Sales Volume

The Income and Expenditure Dollar

Taxes

Wages

Expenses, and wherever possible, Capitalization.

The next section should be devoted to "management—labor relations."

Here, the use of photographs and graphics is advisable. Graphics might show the number of employees, length of service, average wages per employee, and total wages paid.

Other subjects which should receive attention in the annual reports concern future plans, new and old products, consumer relations, etc. This section, which lends itself particularly well to photographic illustrations, could also include a graphic showing a breakdown of sales or services rendered.

The annual report should be written by the chief executives of the corporation with the advice of the public relations counsellor, the employee relations counsellor, and the advertising manager.

General Appearance

Important considerations are the size of the annual report, the paper stock and typography. As far as size is concerned, the $8\frac{1}{2}x11$, 9x12, and $8x10\frac{1}{2}$, 20 and 24 page booklet plus covers, have been found to be the most useful.

Special care should be exercised in the selection of type. The face should be large and readible, and as much space should be allowed between lines as possible. The

manuscript should be liberally sprinkled with subject heads or captions.

Special Features

The center spread of the annual report, has in many cases been effectively utilized. A well-prepared map showing location of plants, sales outlets, sources of raw materials, etc., coupled, perhaps, with photographic material which reveals to stockholder and customer alike the corporation's place in the industry and the kind of product or process he is financing or buying, would increase his conviction that he owns something worth having.

A second color could be utilized to highlight the report and aid its readability. However, a multi-colored report, while striking, can easily be overdone, and can be a disadvantage rather than an asset. A second color, used sparingly, can attract reader attention without too great additional expense.

Special consideration should be given to the mailing of the annual report. The law provides that it be sent to stockholders. But a well-designed modern annual report is of particular interest, also, to clients, suppliers, industrial associations, government departments, and often to educational institutions and libraries.

There remain two points of special importance:

 The annual report should be used throughout the year by company officials in contact with the public.

New stockholders, new employees, new friends, should all have an opportunity to acquaint themselves with the company, and there is hardly a better way of doing just that than through the annual report.

2) The preparation of a well prepared annual report should begin two to three months before the end of the financial year. At that early date the broad philosophy of the report should be discussed, format decided upon, and—under present conditions—it is advisable to decide on paper stock and printing. prinkled

al report, rely utiling locaes of raw ps, with eveals to the corfand the financing ponviction aving. illized to ts readad report.

overdone, r than an

ngly, can

be given port. The tockholdrn annual t, also, to occiations, often to raries.

be used apany offiblic. employees, we an opselves with a that than

prepared in two to end of the y date the cort should ded upon, cions—it is aper stock

Books for Business Executives and Public Relations Directors

HOW TO CONDUCT CONSUMER AND OPINION RESEARCH

The Sampling Survey in Operation

Edited by ALBERT B. BLANKENSHIP, Author of "Consumer and Opinion Research"

This book draws upon the compiled experience and wisdom of twenty-nine authors from over twenty different backgrounds of industry and government experience to describe in operational detail the numerous methods of measuring public responses for commercial and public purposes. Among the topics treated are market research on production development, on branded goods, on advertising copy and copy testing, on radio reactions, public relations response and the like. \$4.00

PUBLIC RELATIONS

A Program for Colleges and Universities

By W. EMERSON RECK, Director of Public Relations, Colgate University

This book is unique in supplying a comprehensive, vivid and anecdotal discussion of a public relations program for colleges. It includes principles, organization set-up and description of various type of publics with which relations have to be satisfactorily maintained. Its discussion is so basic and suggestive as to be of value to all public relations executives. \$3.00

THE ART OF PLAIN TALK

By RUDOLF FLESCH, Author of "Marks of Readable Style"

Everyone will find this book a gold mine of information for improving his ability to communicate more directly and forcefully. "The Art of Plain Talk offers specific, eye-on-the-word criticism of bad writing. (Dr. Flesch practices what he teaches.) It offers much good advice about the art of learning to write so people can understand you."—Christian Science Monitor. "I believe this is the most useful and important book to writer that I have ever read."—C. B. Larrabee, Printers' Ink. \$2.50

ECONOMICS IN ONE LESSON

By HENRY HAZLITT, Editorial Department, The New York Times

A brilliant, searching analysis of the economic fallacies most popular today and the central error from which they stem. "If people wish to disperse the illusions which push pressure groups and politicians all over the world to economic cannibalism and universal impoverishment, they will form little societies to further the sale and influence of Mr. Hazlitt's incisive economic 'lesson'."—John Chamberlain, New York Times Book Review. \$2.00

At your bookstore or on approval from

HARPER & BROTHERS, 49 East 33rd Street, New York 16, N. Y.

We are specialists in the production of...

- House Organs for Employees
- House Magazines for Customers
- Catalogues, Books, Pamphlets, Advertising Literature, Etc.

May we tell you about our Service and Facilities?



HOOPER PRINTING COMPANY

545 SANSOME STREET • SAN FRANCISCO
Phone Sutter 2255

Printers of the Public Relations Journal

Planned News-Publicity Service

NATIONAL NEWS-FEATURES SYNDICATE

America's first private PLANNED NEWS BUREAU now serves your news-publicity requirements.

Excellent contacts—in all fields of publication, radio, television and newsreel. Production staff includes skilled writers of news and literature, researchers, pictorial experts and matrix specialists.

Correspondents in 88 cities. Daily dispatch of material to 2,400 newspapers and 375 radio stations.

Moderate rates . . . Short term or prolonged assignments.

Write HARRY C. KLEMFUSS, General Manager

NATIONAL NEWS-FEATURES SYNDICATE

341 Madison Avenue, New York 17, N. Y.

Established 1920

Cables: Consultus

Murray Hill 2-1192

T

Th

ing

he

Kindly mention The Public Relations Journa! when writing to advertisers

"What we need now

IN CONFERENCES, conventions, and in the trade press business men have been harangued, cajoled, warned, threatened -told of the fate awaiting them and their enterprises unless they take action in

defense of free enterprise.

of ...

Etc.

ies?

Their response is: "What action?" "How?" The president of a large midwest manufacturing concern puts it this way: "What we need now is not so much to be 'sold' on the necessity of action as to be given concrete assistance and help in how best to handle the job here, at our own plant level."

That statement also sums up, to a large degree, why more and more thoughtful executives are turning to the American Council on Public Relations. These men, through Council membership, find the "concrete assistance and help" they require in the public relations ad-

ministration of their enterprises.

And management's job today-its number one job-is one of public relations; of building understanding among employees, community, suppliers, customers, stockholders, government and its other publics. How well this job is done will determine the fate of our free competitive enterprise system; of labor and management tomorrow.

How You Can Become a Council Member

Individuals in the following classifications are cordially invited to membership in the Council:

1) Top executives concerned with overall public relations policies, 2) Executives charged with public relations administration, 3) Public relations directors, counsellors, assistants and staff members, 4) Public relations students.

Application for membership is made to the Board of Trustees of the Council on the form provided below, or on your letterhead. The applicant is provided an Information Return upon which to outline his qualifications. Upon approval by the Board he is admitted to Council Membership.

Some of the Tangible Values

- 1. The Public Relations Journal. Provides you with ne rubble, Kelülions Journal. Provides you with vivid and important articles—ten to fifteen each month—dealing with current public relations problems: the thinking of leaders in the field. As one top executive puts it: "I read it regularly from cover to cover. It is the only place in America where I can get such valuable, needed information." Carefully edited, attractively printed—it is an important and exclusive Council service.
- 2. Publics. The monthly news bulletin of public relations. Here, in condensed form, are highlights of significant speeches, brief notes on important new books of interest to the field, reports of successful public relations activities—eight to twelve pages of material gleaned from scores of sources to keep you informed on what leaders in the field have with a dam during the month. said or done during the month.
- 3. Books on Public Relations. Sponsored by the Council, edited by its President, published by Harper and Brothers, these and other selected volumes, are issued to members.
- Research Studies. Contain the findings of the Council's Research Department resulting fr surveys of significant public relations subjects.
- Special Publications. Issued during the year as occasions demand. They present symposiums on important topics, articles of broad interest to members, and the like.
- Invaluable Working Tools consisting of the cur-rent year's summaries of all Council short courses and conferences as they are conducted throughout

MAIL THIS CARD TODAY -

II 2-1192

ers

BOA	RD	OF	TRUST	EES					
AME	RICA	N	COUN	ICIL (NC	PUBLIC	RELA	TIONS	
369	PINE	S	TREET,	SAN	FR	ANCISC	0 4,	CALIFO	RNIA

I hereby o	apply for Standard Membership in the American Coun-
	Relations. Please send Information Return upon which
I outline my	qualifications. My check for \$25 annual dues* is
enclosed.	Please invoice my company for \$25 annual dues.
*\$5 of this fee	is for one year's subscription to The Public Relations Journal.

Name				
Company		Posit	ion	
Address				
	STREET	CITY	ZONE	STATE

AMERICAN COUNCIL ON PUBLIC RELATIONS

PRESENTS

Public Relations for Executives

AVE your management men been forgotten in postwar plans for your enterprise? What sort of a "training" program have you inaugurated for them? To help them in this great and important period of transition from a war economy to one of peace?

BINGT IT ST

Never before in the history of your business has so much depended upon the sound, far-sighted planning of management. Every decision is fraught with public relations significance. Every policy must be carefully reviewed in the light of its impact upon the welfare of all segments of your public—employees, stockholders, community, government, consumers and others.

New and perplexing demands require that you and your executives devote serious thought and study to the subject of public relations—if you are to meet the challenges of the future.

How To Go About It

You can do as an ever-increasing number of key executives are doing: utilize the Council's public relations course for your own enlightenment and that of your associates in management. It is a thoroughly practical, down-to-earth presentation of the broad field of public relations. All divisions are treated and their relation-

ships clearly defined. Years of expert knowledge and practical experience have gone into its preparation. As evaluated by experienced educators, it is considered to cover work equivalent in content and quality to that required for a Master's degree in a first grade university. It is conducted intimately and confidentially, with each individual enrollee, by mail.

Its Value to You

The true measure of your executive stature, in the critical days ahead, will be in your demonstrated ability skillfully to handle the public relations problems that are on every hand. The Council's course will enable you to deal with these problems as they arise with full knowledge that each has been carefully examined in light of its public relations significance. Many thousands of dollars can thus be saved, strife and misunderstanding avoided.

You are invited to enroll in the Council's executive course—"Public Relations in Action." The fee is \$200, and includes a complete library of public relations texts and reference works lectures, significant problems, and other materials. It is complete and authoritative—for executives in all branches of business, industry, and government.



• INCLUDES COMPLETE REFERENCE LIBRARY — 20 VOLUMES •

ORNIA

ives

t knowledge one into its rienced eduk equivalent quired for a versity. It is ntially, with

n your demle the public by hand. The to deal with all knowledge ined in light Many thoud, strife and

tive stature,

he Council's s in Action." aplete library rence works, other matetive—for exess, industry,

